

# THIRD PARTY MONITORING AGENT 2020 ANNUAL REPORT

July 2021



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# ACRONYMS AND ABBREVIATIONS

A2F	Access to Finance	KUTEI	Kabul Urban Transport Efficiency Improvement Project
AFN	Afghani(s) (currency)	MASOB	Modernizing Afghan State-Owned Banks
AGASP	Afghanistan Gas Project	MIS	Management Information System
ARAP	Afghanistan Rural Access Project	MoF	Ministry of Finance
ASDP II	Afghanistan Second Skills Development Project	MoT	Ministry of Transport
ASGRP	Afghanistan Strategic Grain Reserve	MRRD	Ministry of Rural Rehabilitation and Development
ARTF	Afghanistan Reconstruction Trust Fund	NHLP	National Horticulture and Livestock Project
CCAP	Citizen's Charter Afghanistan Project	NWARA	National Water Affairs Regulation Authority
CDC(s)	Community Development Council(s)	O&M	Operations & Maintenance
CIP	Cities Investment Project	OFWMP	On-Farm Water Management Project
CPM	Community Participatory Monitoring	PMU(s)	Project Management Unit(s)
DABS PCS	DABS Planning and Capacity Support	PPAIP	Public-Private Partnerships and Public Investment Advisory Project
DLP	Defect Liability Period	PPE	Personal Protective Equipment
EQRA	Education Quality Reform in Afghanistan	SoE(s)	Statement(s) of Expenditure
ESS	Environmental and Social Standards	TAGHIR	Tackling Afghanistan's Government HRM and Institutional Reforms
EZ-KAR	Esteghal Zaiee - Karmondena	THRCP	Trans-Hindukush Road Connectivity Project
FSP	Fiscal Performance Improvement Support Project	TPMA	Third Party Monitoring Agent
FY	Financial Year (21 December to 20 December of the following year)	USDP	Urban Development Support Project
GHM	Grievance Handling Mechanism	USD	United States Dollar(s) (currency)
HEDP	Higher Education Development Project	WEE-NDP	Women's Economic Empowerment - National Priority Program
HEP	Herat Electrification Project	WEE-RDP	Women's Economic Empowerment - Rural Development Project
IDLG	Independent Directorate of Local Governance		
IRDP	Irrigation Restoration and Development Project		
KMDP	Kabul Municipal Development Program		

## EXECUTIVE SUMMARY

This is the first annual monitoring report under the Afghanistan Reconstruction Trust Fund (ARTF) Third Party Monitoring Agent (TPMA) contract that began in January 2020. The report provides an overview of monitoring activities undertaken for investment projects from January to December 2020, and summarises key findings. It also provides highlights of our work to monitor government recurrent costs.

## OUR SCOPE

Throughout 2020, we conducted a wide range of monitoring activities for the ARTF, which has since 2002 operated as a coordinated funding mechanism for the Government of Afghanistan's budget and priority national investment programmes. We provided financial monitoring services for recurrent costs<sup>1</sup>, as well as combined financial and physical monitoring for investment projects, integrating information for World Bank supervision and implementation support.

## OUR ACTIVITIES IN 2020

In addition to our financial reviews, we conducted 4,041 in-person site visits to investment projects in 249 districts in all 34 provinces. 3,596 of these site visits assessed projects' infrastructure elements for Good Practice, deviations and rectifications, as well as compliance with the World Bank's Environmental and Social Framework. We supplemented this information with data collected through a total of 20,632 interviews with project staff and community members (79% men, 21% women) conducted either in person or remotely. These interviews helped us identify where things are working well or opportunities for improvement. We also conducted an additional 445 site visits for ad hoc research requests, when the World Bank required additional follow-up information on project implementation.

Our original Personnel Verification monitoring sample amounted to over 10,000 employees, but due to COVID restrictions, our staff were able to undertake visits for 4,066 staff from 18 government entities in Kabul and in 15 provinces in 2020. We are now in the process of completing our testing for Financial Year (FY) 1399 and we have currently verified all but 270 of the 10,000+ sampled employees across 30 provinces, with security and access issues causing the shortfall. However, with testing ongoing, the aim is complete physical verification in the remaining four provinces before we submit full and final results in the Recurrent Cost Monitoring Annual Report in August 2021.

Further details of our monitoring activities can be found in the infographic on pages 9-10 and in the individual project annexes beginning on page 42.



### 2020 AT A GLANCE

#### Recurrent Cost Activities

Personnel Verification  
**4,066 Staff Sampled**

Reimbursement Manual Revision  
**1**

#### Investment Projects

Internal Control Assessments  
**2 Completed**

Statements of Expenditure  
**74 Completed for 29 Projects**

Physical Monitoring  
**4,041 In-Person Site Visits**  
**20,632 People Interviewed**  
**4,331 Women 16,301 Men**

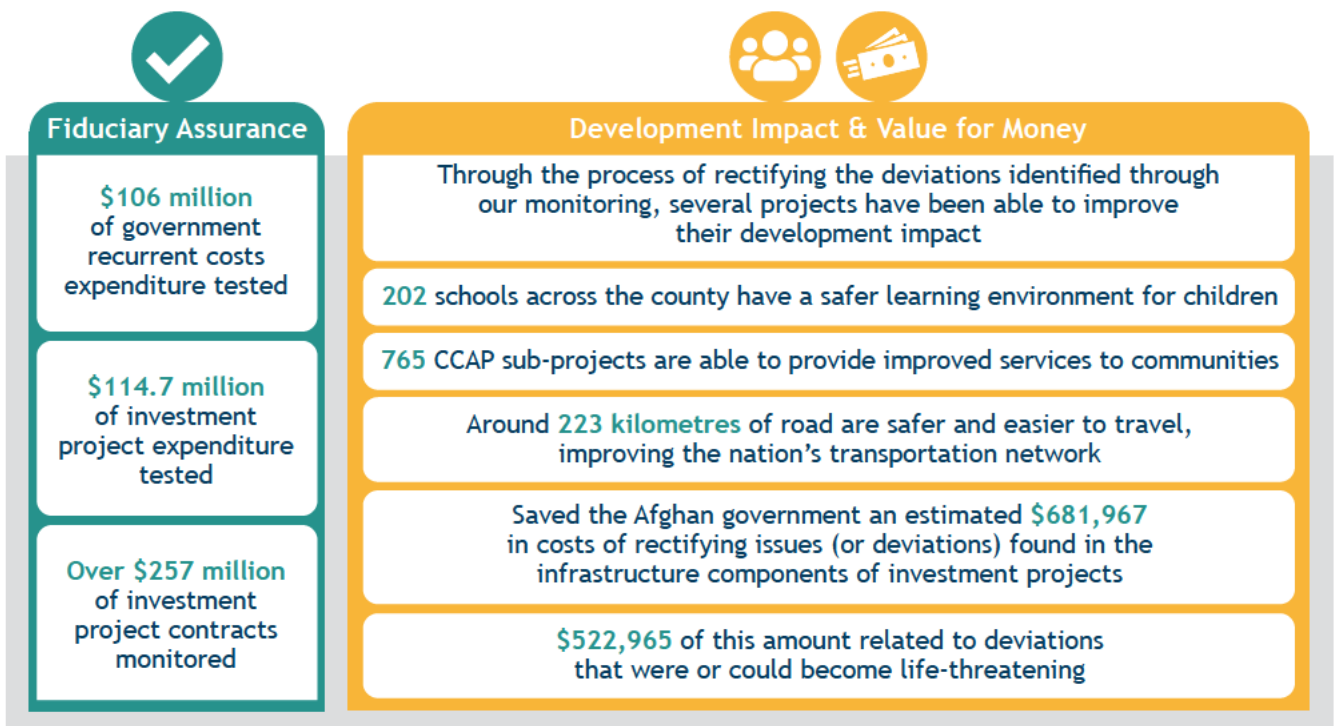
<sup>1</sup> The activities and findings for recurrent costs in this report relate to the Afghan Financial Year 1399, which corresponds to expenditure incurred between 21 December 2019 to 20 December 2020.

## OUR VALUE ADD: FIDUCIARY ASSURANCE, VALUE FOR MONEY, AND DEVELOPMENT IMPACT

With an array of monitoring activities across recurrent costs and investment projects, this combined TPMA engagement provides a powerful, centralised tool for the World Bank and donors to enhance accountability for ARTF and International Development Association (IDA) funding. With teams of accountants working collaboratively with researchers, we provided fiduciary assurance for \$477.7 million of government and investment project expenditure and tested the strength of government internal controls. We also verified the existence of over 10,000 government staff.

Building on existing monitoring systems allowed us to offer value for money savings, rather than undertaking a resource-intensive redesign process at the start of the new contract. Our fiduciary capacity building activities and coordination with ministries on the infrastructure deviation rectification process also added value and are a long-term investment in government capacity. Additionally, the process of identifying and rectifying issues in the construction elements of investment projects saved the government an estimated \$681,967 last year.

The community-level monitoring of investment projects helped detect challenges or areas for further review, giving World Bank and government teams the necessary information to identify and solve problems early, strengthening development impact.



## ADAPTING FOR THE COVID-19 PANDEMIC

In 2020, the COVID-19 pandemic intensified constraints related to access and security that are associated with working in a conflict-affected country like Afghanistan. To continue our work, we adapted our data collection approach in a few ways. First, we altered the composition of our monitoring teams from a mix of an engineer and two social researchers to engineers who conducted site visits alone. They also practiced social distancing when engaging with community members. Second, we moved from in-person interviews to telephone interviews from our call centre at the peak of the pandemic. As a result, we had to adapt the interview tools for several projects in order to accommodate the shorter interview times. Finally, we reinstated a limited number of in-person interviews in mid-2020 when circumstances allowed, mixing these with telephone interviews to optimise the quantity and quality of data. Despite the restrictions imposed by the pandemic and the necessary adaptations to our methodology, we completed over 4,000 in-person site visits in 2020.

In general, the data we obtained through our adapted data collection methods was comparable to that from in-person interviews. However, relying on telephone interviews negatively impacted our ability to speak to women. In Q1 2020 prior to the pandemic, women were approximately 40% of our respondents, falling to around 20% in subsequent quarters. This is because women often do not have access to a mobile phone or may not be allowed to be interviewed. While we endeavoured to speak to as many women as possible by employing only women in our call centre, this remains a challenge. We continue to monitor the COVID-19 conditions on a weekly basis and will adapt our approach to changing circumstances as we have done throughout 2020.

## KEY FINDINGS

Throughout 2020, our monitoring found elements of good practice, as well as areas to strengthen in government fiduciary processes and investment project implementation. The issues we identified provided an opportunity both for correction and continued capacity development. We saw clear efforts on the part of Government staff to address the instances where practice did not match World Bank regulations or project specifications.

### Personnel Verification

**We physically verified nearly all of the 10,366 government employees sampled for Personnel Verification in FY 1399, covering 4,066 employees in 2020.** A small number (270) have not yet been verified due to security and access issues; however, testing is ongoing and full and final results will be released in the Recurrent Cost Monitoring Annual Report due to be released in August 2021.

### Internal Controls Assessments (ICAs)

**The strength of financial management processes varies by project, but procurement and contract management is a common area of weakness.** One ICA identified moderate risk in the financial management processes of one project, while the second found instances of Good Practice and moderately effective controls in the other. Both ICAs found evidence that as a result of an inadequate review mechanism over the longlisting and shortlisting processes, unqualified candidates were shortlisted and, in the case of THRC, one such candidate recruited for the position of Technical Advisor. The matters were discussed with management and an action plan was put in place to address the weaknesses identified in the shortlisting and longlisting processes. We intend to follow up on progress with implementation of the action plan in the last quarter of this year.



## Statement of Expenditure (SoE)

**90% of the expenditure we reviewed in 2020 met the criteria for reimbursement.**

Throughout the year, we reviewed \$126.143 million of investment project expenditure to offer assurance about project spending. We issued 74 SoE cover letters for 30 projects and their Project Management Units (PMUs). Our reviews identified \$12 million of transactions that were considered questionable and potentially not meeting the eligibility criteria stipulated in the grant/financing agreements. These primarily relate to missing supporting documentation to confirm that applicable procurement and financial policies had been complied with. As a result of our recommendations, projects were not replenished for these transactions until the issues were resolved. This review mechanism therefore plays an important role as it has led to the strengthening of projects' internal controls and improved record-keeping practises.

## Physical Monitoring

We conducted both physical and financial monitoring activities for eight investment projects in 2020, focusing on alignment between financial and physical progress, quality of infrastructure components, and compliance with World Bank Environmental and Social Standards.

- **Project expenditure broadly aligns with project progress.** Our reviews in 2020 identified only 47 instances where the financial progress exceeded the physical progress by more than 15%. These instances amounted to \$8.62 million, less than half of 1% of the total contract value monitored. This result indicates that project expenditure is broadly aligned with project progress. Tranche payments, contractual arrangements, or materials purchased but not yet used may account for the differences we observed.
- **Projects' infrastructure components are rated Average or above with the exception of one.** Our ratings take into consideration the scores our engineers give different infrastructure aspects at each site, such as Design, Materials and Workmanship. We also take into account the number and type of deviations identified, then aggregate the scores from each site visit for an overall project score. Generally, projects are performing as expected.
- We saw examples of Good Practice in nearly all projects. These are instances where the implementing partner exceeds the requirements of the contract and improves the sub-project's overall standard or functionality at no additional cost in terms of time or budget.
- Deviations account for only a small percentage of all engineering observations. In 2020, our engineers made over 60,000 observations at the construction sites they visited, where they assessed infrastructure progress and quality of work. Only 11% of their observations were deviations: either unauthorised changes from the stipulated design or technical specifications, or shortcomings in the materials used or quality of workmanship.
- Nearly half of all deviations identified in 2020 were rectified by the end of the year. After a slow start due to changes in the rectification process and the uptake of new technology, the number of deviation rectifications increased significantly by Q4 2020. At the end of the year, 3,211 out of 8,073<sup>2</sup> deviations had been rectified, while 4,528 deviations were at various stages of the rectification process.
- We found no significant negative environmental impacts resulting from project activities. Where negative impacts did occur, they were limited and related to the removal of sand and gravel from riverbeds, or to soil, water, dust and noise pollution.
- Nearly all projects have made efforts to ensure women are consulted during sub-project planning and/or implementation. However, **the limited presence of women on project-related decision-making bodies and mechanisms at the local level remains a critical challenge to women's representation and participation.**

<sup>2</sup> In 2020, 6,840 deviations were identified but the total number of deviations was higher because of 1,233 'legacy' deviations that were identified by the previous Supervisory Agent and remained open at the beginning of 2020.

## LOOKING AHEAD

The year 2020 was one of innovation as the new contract allowed us to explore ways to synthesise financial and physical monitoring activities to produce meaningful and useful findings. Listening to feedback from the World Bank and government teams, we learned what has worked well and what has not. In collaboration with these teams, we have begun to adapt our approaches to respond to information needs and priorities, improving the way we classify and record infrastructure deviations. We take this process of learning and adaptation with us into 2021.

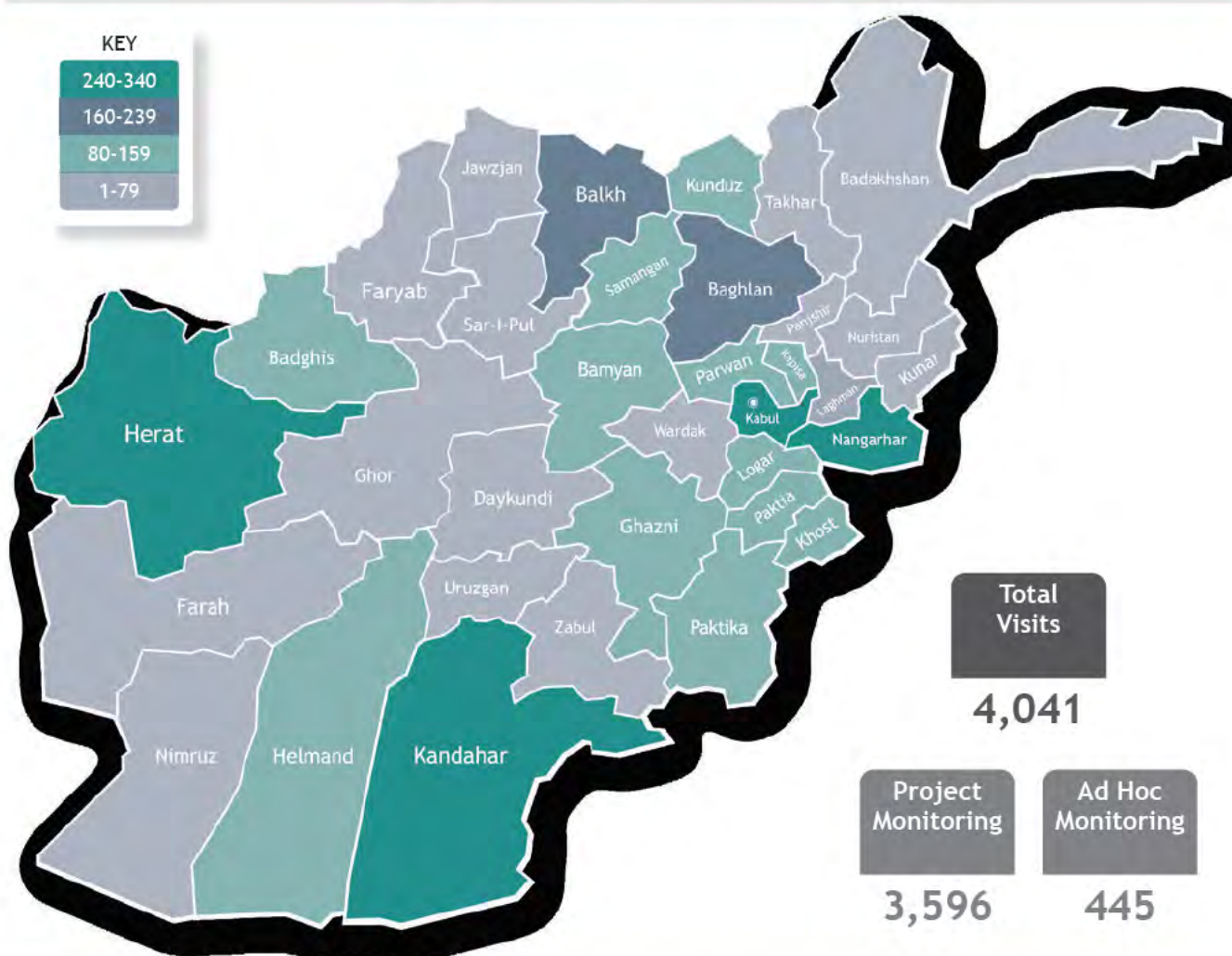
Looking at the next contract year, we have mapped several steps to expand and strengthen our ability to provide fiscal assurance, value for money, and development impact.

- We will continue to carry out Personnel Verification across various government entities covering almost all provinces<sup>3</sup>. In 2021 we aim to sample 11,800 personnel.
- We plan to complete at least 14 ICAs and 170 SoEs for the Project Monitoring Units in 2021.
- As circumstances allow, we will conduct more in-person interviews with women to address the low representation resulting from the switch to telephone interviews in response to COVID-19.
- We will offer more in-person capacity building activities for financial and procurement staff (an element of our financial monitoring that was limited in 2020 because of the pandemic).

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<sup>3</sup> For the FY 1399 sample, we have not been able to visit Badghis, Daikundi, Nooristan, and Paktika due to security and access issues. However with testing ongoing, the aim is complete physical verification in these provinces before we submit the full and final results in August 2021.”

### TPMA 2020 Investment Project Site Visits



#### Number of Sub-Projects Visited per Province

46	Badakhshan	72	Faryab	240	Kandahar	272	Nangarhar	97	Samangan
143	Badghis	81	Ghazni	102	Kapisa	20	Nimruz	24	Sar-I-Pul
177	Baghlan	31	Ghor	159	Khost	25	Nuristan	34	Takhar
218	Balkh	89	Helmand	67	Kunar	137	Paktia	12	Uruzgan
111	Bamyan	310	Herat	99	Kunduz	117	Paktika	79	Wardak
54	Daykundi	51	Jawzjan	69	Laghman	49	Panjshir	31	Zabul
52	Farah	336	Kabul	104	Logar	88	Parwan		



## 2020 Project Monitoring Site Visits per Province

Our standard project monitoring consists of three main components. Our accountants undertake financial reviews of sub-project expenditures. Engineers assess infrastructure projects to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguard standards.

Social researchers and call centre agents conduct in-person telephone interviews to better understand project implementation, particularly environmental and social safeguards.

We also collect monitoring data on additional project elements, depending on World Bank requirements.

Supplementary monitoring topics are detailed in the project information boxes, as relevant.

### ARAP

Standard project monitoring only.

ARAP  
Sub-projects  
Visited

46

ARAP  
Road  
Segments  
Visited

66

ARAP  
CDCs  
Monitored  
by FMT

52

### CCAP

We also gather information on levels of community services and the implementation and benefits of community mobilization activities.

CCAP  
CDCs  
Visited

1,607

CCAP  
Sub-Projects  
Visited

1,899

CCAP  
CDCs  
Monitored  
by FMT

1,560

CCAP Sub-  
projects  
Monitored  
by FMT

1,825

### CIP

Interviews include additional focus on potential impact on community health and labour practices.

CIP  
CDCs  
Visited

8

CIP  
Sub-Projects  
Visited

8

CIP  
CDCs  
Monitored  
by FMT

8

CIP Sub-  
projects  
Monitored  
by FMT

8

### EQRA

Engineers also assess sub-projects' disaster risk reduction efforts, while interviews include questions about the existence of School Management Shuras.

EQRA  
CDCs  
Visited

882

EQRA  
Sub-Projects  
Visited

889

EQRA  
CDCs  
Monitored  
by FMT

771

EQRA Sub-  
projects  
Monitored  
by FMT

779

### IRDP

Standard project monitoring only.

IRDP  
Sub-Projects  
Visited

50

IRDP  
Sub-Project  
Activities  
Visited

68

IRDP Sub-  
projects  
Monitored  
by FMT

50

### NHLP

In addition to the financial review and engineering assessments of sub-projects with infrastructure elements, we conducted in-person and telephone interviews to verify the delivery and use of mini-tractors and poultry.

NHLP  
CDCs  
Visited

286

NHLP  
Sub-Project  
Activities  
Visited

445

NHLP  
CDCs  
Monitored  
by FMT

220

NHLP Sub-  
projects  
Monitored  
by FMT

350

### THRCP

Standard project monitoring only.

THRCP  
CDCs  
Visited

4

THRCP  
Sub-Projects  
Visited

113

THRCP Sub-  
projects  
Monitored  
by FMT

4

### WEERDP

This project does not currently have an infrastructure component. Instead, our in-person interviews focused on verification of the existence, activities, and membership benefits of Self Help Groups.

WEERDP  
CDCs  
Visited

42

WEERDP  
Sub-Projects  
Visited

108



# 1 INTRODUCTION

This is the first annual monitoring report under the Afghanistan Reconstruction Trust Fund (ARTF) Third Party Monitoring Agent (TPMA) contract that began at the start of 2020. It is significant because it is the first Annual Report since the ARTF was founded that integrates the results of a joint approach to financial and physical monitoring activities, covering the period from January to December 2020. It provides a more comprehensive view of investment project performance by identifying the strengths and weaknesses of internal financial and project management processes that govern how projects are run, while examining whether their expenditure complies with World Bank and government regulations. These findings are coupled with evidence from in-person site visits to verify project implementation, providing a degree of assurance on whether financial activities align with physical progress at the community level. The findings are drawn from large evidence bases: reviews of thousands of financial and project documents, along with hundreds of thousands of data points from engineering assessments and interviews with community members.

## 1.1 SCOPE OF OUR MONITORING

Before January 2020, the third party monitoring (TPM) services for the ARTF were split between two contractors. A Supervisory Agent focused on investment project monitoring while BDO, the Monitoring Agent, conducted financial monitoring. The new contract arrangements that began at the start of 2020 integrate both services under a single contract, providing more integrated information for World Bank supervision and implementation support. Consequently, this Annual Report differs from previous 'Supervisory Agent' annual reports by covering both physical and financial aspects of World Bank-financed investment projects. The new combined contract enhanced the scope of the third party monitoring, doubling the number of site visits to investment projects to 4,000 visits per year. It introduced reviews of Statement of Expenditure disbursements to investment project monitoring and expanded the use of in-person verification for government personnel.

As TPMA, we also continue to provide cost eligibility monitoring for ARTF recurrent cost budget support. Recurrent cost monitoring reports include interim financial data from the Government of the Islamic Republic of Afghanistan and as such are made available to ARTF donor partners, but are not public. We will submit the Annual Report for the recurrent cost monitoring in July 2021, once all the closure processes for the previous fiscal year are finalised. For transparency, the Findings section of this report provides an overview of our recurrent cost monitoring activities during the period.

## 1.2 OUR VALUE ADD: FIDUCIARY ASSURANCE, VALUE FOR MONEY AND DEVELOPMENT IMPACT

With an array of monitoring activities across recurrent costs and investment projects, this combined TPMA provides a powerful, centralised tool for the World Bank and donors to enhance accountability for ARTF and International Development Association (IDA) funding.

With teams of accountants working collaboratively with researchers, we tested the strength of government internal controls for recurrent costs while at the same time verifying the existence of all but 270 of the 10,366 government staff sampled in 2020 (FY1399). We also **provided fiduciary assurance** for \$106 million of the Afghan government's core funding and \$114.7 million of investment project expenditure. Our joint review of a further \$257 million of project contracts for physical progress and compliance with World Bank requirements provided additional insights around alignment of payments with implementation, allowing us to flag to the World Bank where these differ significantly.

This integrated TPMA contract also provides **value for money** savings in several ways. We have worked within the existing monitoring system, rather than reinventing the wheel with new processes or data collection

tools, a resource-intensive process. We have built on what has evolved over the previous contracts and identified areas where enhancements could be made. **The rectification process for issues (or deviations) identified in the infrastructure component of the investment projects saved the Afghan government an estimated \$681,967. \$522,965 of this amount related to deviations that were or could become life-threatening.** Additionally, our fiduciary capacity building activities and our coordination with ministries on the deviation rectification process also add value. Strengthening staff knowledge and competencies helps build better practice over time, a long-term investment in government capacity.

Our monitoring of investment projects at the community level helps detect challenges or areas for further review, giving World Bank and government teams the necessary information to identify and solve problems early. On a weekly basis, we review engineering assessment findings with government engineering teams to help rectify any issues we have flagged and target limited staff resources for greatest impact. **This process has resulted in a safer learning environment for numerous students at 202 schools. It has improved 223 kilometres of roads, making transportation easier for the Afghan people. CCAP has been able to provide better services to 765 communities by addressing significant issues such as contamination risks or ill-functioning water pumps for potable water sub-projects or safety issues related to power sub-projects, amongst others.**

We also look for Good Practice across all projects, highlighting ways that project teams operating in extremely challenging circumstances have adapted to constraints to meet objectives, or have found ways to enhance effectiveness without requiring additional resources. All of these activities seek to strengthen both the government systems and the project benefits for communities across the country.

## 1.3 ADAPTING TO CHALLENGES

### 1.3.1 Operational Challenges

Afghanistan is a challenging place for programme implementation and monitoring. Insecurity, difficult terrain and poor roads, combined with inclement weather, limits accessibility to project sites and interview participants. Limited mobile phone ownership and internet connectivity, along with lack of electricity, particularly in rural areas, makes it difficult to connect with community members for interviews or upload data from tablets quickly. Ongoing conflict between government forces and the Taliban and other armed opposition groups, as well as the presence of these groups in the areas where we work, poses security and kidnapping threats to project staff, community members, and our staff.

We employ several strategies to mitigate the impact of these limitations. If a community is inaccessible, due to either weather or insecurity, we select a similar community from a back-up list and endeavour to revisit the inaccessible community at a later date as circumstances permit. Similarly, we ensure that our sample of telephone interview respondents is large enough to account for people whose phone may be turned off.

### 1.3.2 COVID-19

Although the COVID-19 pandemic multiplied and intensified the impact of existing constraints in 2020, we were able to continue our work – exceeding our 4,000 site visits per year target, expanding our Personnel Verification visits to other government entities, and interviewing over 20,000 people. We achieved this by adapting our approach in several ways. To protect our staff and the communities we visited while still conducting in-person engineering site visits, we shifted from monitoring teams that included an engineer and two social researchers to engineers who worked alone, limiting their engagement with community members.

We also moved from in-person interviews with social researchers to telephone interviews from our call centre. This required us to adapt the interview tools for several projects in order to accommodate shorter interview times. Although we prioritised questions for key elements when streamlining the tools, our data sets do not include responses to all questions throughout the year, which has impacted our ability to provide

findings for the entire year for some project elements. Shifting to telephone interviews also negatively affected our ability to interview women.

Before COVID-19, female social researchers from our monitoring team interviewed women in their homes during site visits. Telephone interviews require a family to own or have access to a mobile phone, and women must agree, or be permitted by their male family members to be interviewed. We attempted to mitigate this as much as possible by employing only women in our call centre, but the number of women we interviewed each month decreased significantly: from over 40% of all respondents in Q1 to 22% in Q4. As a result, women's perspectives in our findings are limited. We endeavour to speak to as many women as possible by telephone by employing only women in our call centre, but this challenge will continue until the health risks to interviewees and social researchers decline.

We began in-person interviews in mid-2020, but these interviews were limited in scope and we still conduct the majority of our community member interviews by telephone. We continue to monitor the COVID-19 conditions throughout the country on a weekly basis and will adapt our approach to changing circumstances as we have done throughout 2020.

## 1.4 USING THIS REPORT

The report is structured to focus on aggregated findings in the main body, with more detailed findings for individual projects provided in annexes.

The foundation of our Physical Monitoring Approach is a standard approach which we adapt to meet individual project teams' requirements, including location and respondent sampling. Because of the differences between projects, the resulting data is not designed to be representative of individual projects' activities or the ARTF project portfolio as a whole. Instead, findings are a snapshot of individual project activity at the time of the site visit. They should not be interpreted to indicate wider cross-country or cross-portfolio trends. Two exceptions exist, where elements have been included in our monitoring for nearly all eight projects: Environmental and Social Standards and Gender Inclusion. While project sector and activities differ, these topics provided sufficient data to draw limited comparisons and identify potential trends.

## 2 TPMA 2020 FINDINGS

This section of the report presents first a summary of our monitoring activities for recurrent costs, then the findings from investment projects, which are presented by activity: Internal Control Assessments, Statement of Expenditure Reviews, and Physical Monitoring. Physical Monitoring findings are further divided into sub-sections that include an overview of the Expenditure Review and Infrastructure scores. We also summarise the various instances of Good Practice our engineers identified throughout the year and the number and type of deviations identified and rectified, as well as rectification costs. The section concludes with general findings related to Environmental and Social Standards and Gender Inclusion. Individual annexes by project (Annexes 3-10) present more detailed findings by project.

### 2.1 RECURRENT COST MONITORING: PROVIDING ASSURANCE AND HELPING TO IMPROVE REIMBURSEMENT PROCESSING

Our accountants conduct thorough reviews of government civilian recurrent expenditure on a sample basis to provide greater assurance of its value for money and fiduciary compliance with applicable Afghan government and World Bank rules. Our efforts to check compliance also include verification of government staff. In addition, we undertake other ad hoc activities aimed at strengthening expenditure processes and staff capacity. We report on our recurrent cost monitoring activities in quarterly reports that are not available to the general public because they contain interim financial information from the government. We highlight some key activities from 2020 in this report for transparency purposes.

#### 2.1.1 Personnel Verification

**Over the past year, we expanded the scope of Personnel Verification, providing assurance for an increased number of government entities.** Financial and Physical Monitoring staff conduct in-person visits in Kabul and the provinces to confirm the existence of government staff working nationwide. In previous years, this activity targeted Ministry of Education employees, but with the closure of schools, colleges and universities for much of the year in response to the COVID-19 pandemic, we increased the number of in-person visits to 22 government entities, including the Ministry of Higher Education, Ministry of Finance and Ministry of Frontiers and Tribal Affairs.

By the end of 2020, we were able to complete physical verification for 4,066 of the 10,366 government employees sampled for FY 1399. We are in the process of completing our testing for FY 1399 and have currently verified all but 270 of the 10,000+ sampled employees across 30 provinces. We were unable to visit Badghis, Daikundi, Nooristan, and Paktika due to security and access issues, but testing is ongoing and we aim to complete verification in these four provinces before the full and final results are released in the Recurrent Cost Monitoring Annual Report in August 2021.

In 2021, we will continue to expand our Personnel Verification activities, sampling 11,800 government staff.

#### 2.1.2 ARTF Operational Manual on Eligibility

**Our revision of the ARTF Operational Manual on Eligibility can help strengthen expenditure and reimbursement processes.** The manual, adopted in 2010, sets out the main reasons why expenditures would be considered ineligible for reimbursement. In 2020, we drafted a revised version to account for changes in government procedures that had occurred since publication a decade ago, namely updated procurement laws. The World Bank and government partners reviewed the updated version in late 2020, before it was translated into Dari and Pashto. The manual will be printed and distributed to government staff in July 2021. It aims to improve staff's understanding of eligibility criteria, in line with the fiduciary standards included in the ARTF Operational Manual on Eligibility and the Government procedures.



## 2.2 INVESTMENT PROJECT MONITORING: STRENGTHENING PROJECT PROCESSES, PROVIDING ASSURANCE, AND ENHANCING DEVELOPMENT IMPACT

Throughout 2020 we conducted three types of monitoring for 30 investment projects: Internal Control Assessments (ICAs), Statements of Expenditure (SoEs), and Physical Monitoring (see Table 1). For some, we tested the strength of project processes and tracked the progress of expenditure and implementation, giving assurance that projects are implemented in compliance with the relevant policies and regulations. When they are not, we make recommendations to correct deficiencies and build capacity. Along with the synthesis of the financial reviews and in-person visits to project sites, our investment project monitoring provides a deeper level of accountability and oversight to the World Bank, government and donors. It also increases opportunities for better development outcomes in project implementation.

Table 1: Summary of 2020 Investment Project Monitoring Activities

	INTERNAL CONTROLS ASSESSMENT	STATEMENT OF EXPENDITURE	PHYSICAL MONITORING
Access to Finance (A2F)		✓	
Afghanistan Gas Project (AGASP)		✓	
Afghanistan Road Connectivity Project (ARAP)		✓	✓
Afghanistan Second Skills Development Project (ASDP II)		✓	
Afghanistan Strategic Grain Reserve (ASGRP)		✓	
CASA 1000		✓	
Citizens' Charter Afghanistan Project (CCAP)		✓	✓
Cities' Investment Project (CIP)		✓	✓
COVID-19 ERHPP		✓	
DABS Planning and Capacity Support (DABS PCS)		✓	
Digital CASA		✓	
EQRA		✓	
Esteghal Zaiee - Karmondena (EZ-KAR)		✓	
Fiscal Performance Improvement Support Project (FSP)	✓	✓	
Higher Education Development Project (HEDP)		✓	
Herat Electrification Project (HEP)		✓	
Irrigation Rehabilitation & Development Project (IRDP)		✓	✓
Kabul Municipal Development Program (KMDP)		✓	

Table 1: Summary of 2020 Investment Project Monitoring Activities (continued)

	INTERNAL CONTROLS ASSESSMENT	STATEMENT OF EXPENDITURE	PHYSICAL MONITORING
Kabul Urban Transport Efficiency Improvement Project (KUTEI)		✓	
Modernizing Afghan State-Owned Banks (MASOB)		✓	
National Horticulture & Livestock Project (NHLP)		✓	✓
Naghlu Hydropower Rehabilitation Project (NHRP)		✓	
Public-Private Partnerships and Public Investment Advisory Project (PPAIP)		✓	
Sehatmandi		✓	
Tackling Afghanistan's Government HRM and Institutional Reforms (TAGHIR)		✓	
Trans-Hindukush Road Connectivity Project (THRCP)	✓	✓	✓
Urban Development Support Project (UDSP)		✓	
Women's Economic Empowerment - National Priority Program (WEENPP)		✓	
Women's Economic Empowerment - Rural Development Project (WEE-RDP)		✓	✓

### 2.2.1 Internal Control Assessments

Internal Control Assessments (ICAs) evaluate the adequacy and effectiveness of investment projects' governance, risk management, and control processes intended to ensure the effective management of ARTF and IDA project funds. They include, but are not limited to, review of significant processes related to financial management, procurement, recruitment and human resource management, governance and control environment. To date, we have completed 19 ICAs, 17 of which were completed under the previous Monitoring Agent contract. We initiated seven ICAs in 2020, completing two. COVID-19 significantly impacted the number of ICAs we completed this year, as they require in-person site visits by accountants to review large volumes of data. We resumed this activity in the last quarter of 2020, and had five ongoing reviews by the end of the year. Table 2 summarises the findings.

**The strength of financial management processes varies by project.** We found moderately effective controls over three of the five sub-processes for one of the ICAs, while we identified instances of Good Practice and moderately effective controls in the other. For THRCP, payments were correctly processed, and approved in accordance with delegated authority. The interim unaudited financial reports were submitted on a timely basis. For FSP-Ministry of Finance (MoF), we found there was effective project oversight as the MoF Leadership Team, Core Reforms Group and Performance Management Team were effectively discharging their oversight responsibilities. Also, we found that procurement was being properly approved in accordance with delegated authority.

**Recruitment, procurement and contract management is a common area of weakness.** One area to strengthen in particular is the recruitment of qualified candidates. Both ICAs found evidence that unqualified candidates had been recruited while qualified candidates had not been shortlisted for recruitment. In another instance, a contractor that failed to meet bid qualification criteria was awarded the contract. Projects also failed to adequately document their recruitment decisions.

**Our ICA activities have afforded opportunities to build government staff capacity and helped ensure Good Practice.** When we report internal control deficiencies, we work with the government ministries’ Project Management Units (PMUs) to agree a plan of action to correct them and implement our recommendations. For example, in one of the instances where we discovered irregularities in recruitment practices, the PMU terminated the employment contract for the unqualified recruited candidate. We also worked collaboratively with PMUs to address identified capacity building gaps by providing on-site guidance on the design and suitability of a project’s financial management systems.

Table 2: Summary of Findings for 2020 Internal Control Assessments

PROJECT	SUMMARY OF FINDINGS
Fiscal Performance Improvement Support Project (FSP)	<ul style="list-style-type: none"> <li>• There was evidence that unqualified candidates were being recruited. In the recruitment of the Technical Advisor position, the successful candidate did not meet the eligibility criteria stipulated in the terms of reference. Also, the PMU did not maintain adequate documentation to support its recruitment decisions.</li> <li>• \$646,886 advanced to the NPA for the purchase of the six armoured vehicles was not properly reported in the interim un-audited financial reports, which could benefit from a more rigorous review process.</li> <li>• There was failure and/or delayed submission of supporting documentation to ‘acquit’ advance payments, and semi-annual internal audits were not being conducted.</li> <li>• There was non-compliance with the requirement to use the Bank’s standard procurement documents (SPDs), and bids were not being evaluated as stipulated in the SPDs. Also, there was inadequate safeguards to ensure those participating in the evaluation of bids were not conflicted.</li> </ul>
Trans-Hindukush Road Connectivity Project	<ul style="list-style-type: none"> <li>• The requirement to award first contracts for each procurement selection method as a ‘prior review’ was not being complied with, as some ‘first contracts’ were awarded on a ‘post review’ procurement basis.</li> <li>• We found evidence of a consultancy contract being awarded to a contractor that did not meet the bid qualification requirements. The bid of another supplier that met the requirements was wrongfully rejected.</li> <li>• During recruitments, unqualified candidates were being shortlisted (and qualified candidates not being shortlisted) for positions. Also, there was evidence of non-compliance with the PMU’s recruitment policies.</li> <li>• During recruitments, there was failure to reconcile the longlist to the depository of submitted CVs, which may result in exclusion of qualified candidates from the recruitment process, and/or the most suitable candidate not being selected. Also, there were inadequate safeguards to ensure those involved in the recruitment process were not conflicted.</li> <li>• Internal audits were not conducted regularly and there was inadequate evidence that the Inter-Ministerial Steering Committee was effectively discharging its responsibilities under the financing agreement, which may lead to ineffective oversight.</li> </ul>

We plan to complete 14 ICAs in 2021, five of which were ongoing at the end of 2020.

## 2.2.2 Statements of Expenditure

Statement of Expenditure (SoE) reviews assess the eligibility projects' expenses in accordance with the financing/grant agreements. When we identify transactions that have not been properly documented, or otherwise are not eligible for payments, we issue cover letters with recommendations to adjust the total amount of replenishment by the World Bank to the designated account. If the project subsequently provides the necessary information or supporting evidence to address the observations, we issue updated cover letters with revised amounts.

By the end of 2020, we had issued 74 SoE cover letters for 30 projects and their PMUs, reviewing expenditure totalling \$126.143 million. Our review resulted in the identification of questionable transactions and red flags approximating to \$12 million, where claims for replenishments had been initially rejected mainly due to breaches in applicable World Bank procurement regulations and guidelines, and the inability to provide adequate documentation to support transactions.

Missing documentation has been a concern during in-depth fiduciary reviews and the SoE reviews are preventive measures to avoid such cases. Over the year, the SoE error rate decreased, evidencing improved discipline and availability of documentation. This was particularly evident for CCAP where the project significantly enhanced its Management Information Systems by capturing all expenditure records and documents for each CDC, which are then assessed by us in a timely and efficient manner. The availability of expenditure documentation for each and every CDC has therefore been an extraordinary achievement. We were able to document significant expenditure against long outstanding CCAP designated account advances.

The projects took action to resolve the questionable transactions and provide the missing documentation, and this has resulted in a reduction of the questionable amount by \$7,262,560. We also delivered training and provided implementation support to the projects to prepare the SOEs. We have also made a significant contribution in the successful transition of disbursement method from IUFR to SOE bases.

Table 3 provides a summary of the findings of all of the SoE reviews we conducted. Annex 2 presents the same information disaggregated by project.

Table 3: Summary of Findings of the 2020 Statement of Expenditure Reviews

PROCUREMENT	PAYROLL	PROJECT IMPLEMENTATION AND MANAGEMENT	TOTAL	PROPOSED ADJUSTMENT	ADJUSTED TOTAL
\$99,709,465	\$22,980,616	\$3,452,783	\$126,142,865	-\$11,789,109	\$114,700,569

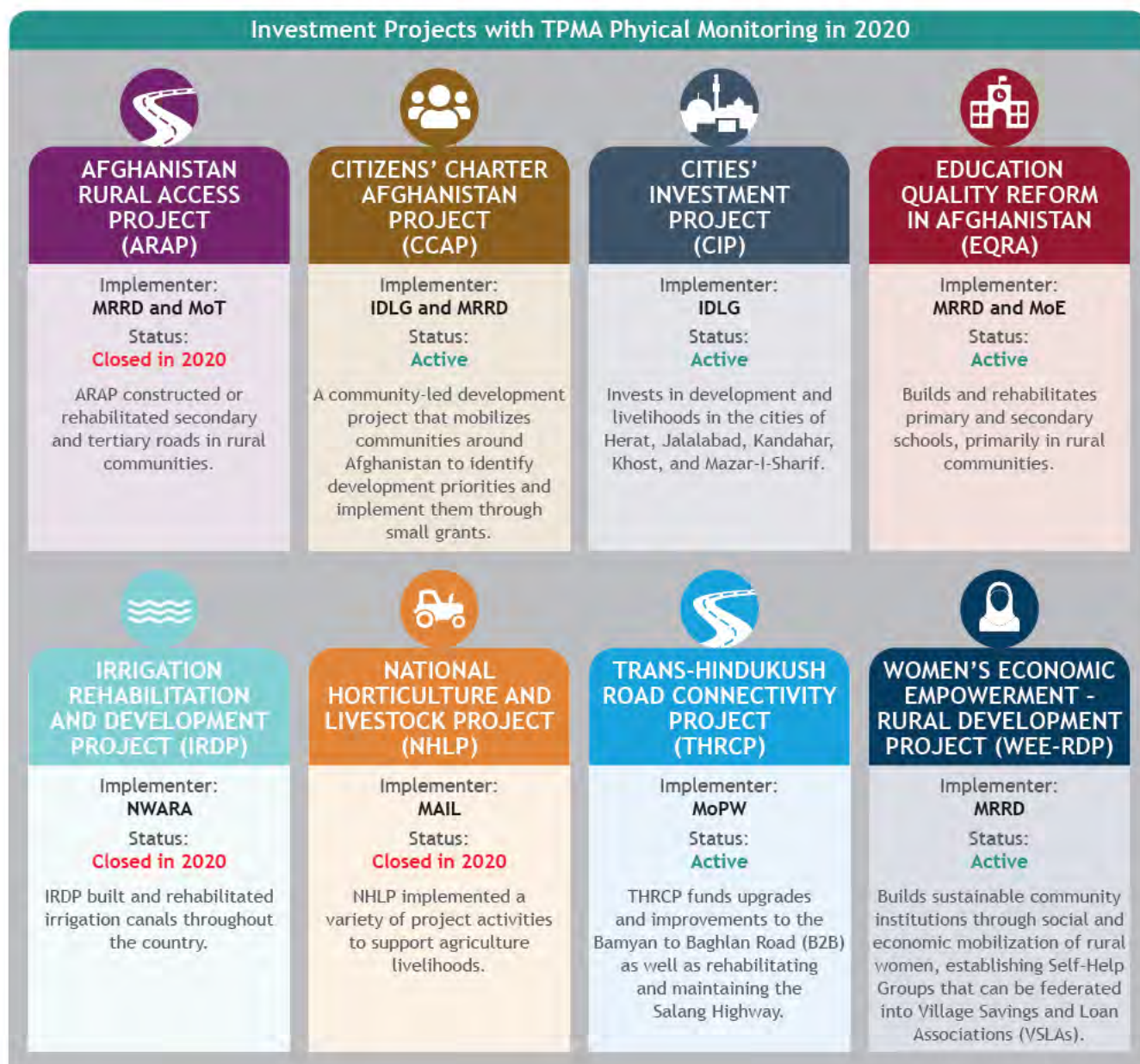
## 2.2.3 Physical Monitoring

In 2020, we conducted both physical and financial monitoring activities for eight investment projects. As part of our standard project monitoring, we synthesised information about project expenditure with assessments from our engineers on construction progress. We also gathered information about project Good Practice, deviations and rectifications, and key elements of compliance with the World Bank's Environmental and Social Standards Framework. We supplemented this information with data collected through a total of 20,632 interviews with project staff and community members conducted either in person or remotely. This helped us identify where things are working well or where projects may need to strengthen oversight.



The monitored projects included a mix of ongoing and completed projects across a variety of sectors.

Project implementation goes through dedicated units within the government entity relevant to the project's sector. For example, the Ministry for Agriculture, Irrigation, and Livestock (MAIL) oversaw the National Horticulture & Livestock Project (NHLP), while the National Water Affairs Regulatory Authority (NWARA) implemented the Irrigation Rehabilitation and Development Project (IRDP). At the community level, projects are implemented through sub-projects or activities at specific sites. Projects involving roads and irrigation canals span multiple communities and are divided into segments. All the projects we monitored included infrastructure components except for the Women's Economic Empowerment Rural Development Project (WEE-RDP).





### 2.2.3.1 PROJECT EXPENDITURE ALIGNED WITH PROJECT PROGRESS

**Project expenditure broadly aligns with project progress.** The Financial Monitoring team assesses sub-project expenditure to coincide with the date of site visits by our engineers, calculating a financial progress percentage based on how much of any individual contract’s value has been paid out by the project. We then compare this figure with engineers’ estimates of physical progress. Ideally, the difference in these figures should be no more than 15%. This comprehensive approach serves as an early warning mechanism to identify risky or underperforming sub-projects which may have received potential excess funds in advance but are now lagging behind in implementation.

Our reviews in 2020 identified only 47 instances where the financial progress exceeded the physical progress by more than 15%, flagging our findings to the World Bank for further action on a monthly basis. These instances amounted to \$8.62 million, 3% of the total contract value monitored, indicating that project expenditure is broadly aligned with project progress. Tranche payments, contractual arrangements or materials purchased but not yet used may account for the differences observed.

Table 4: Instances of Misalignment of More Than 15% Between Financial and Physical Progress<sup>4</sup>

PROJECT	TOTAL CONTRACT VALUE MONITORED (USD)	NUMBER OF INSTANCES OF PROGRESS MISALIGNMENT	TOTAL AMOUNT OF MISALIGNMENT (USD)	% OF TOTAL CONTRACT VALUE MONITORED
ARAP	8,775,051	4	196,140	2%
CCAP	61,473,437	37	559,625	1%
CIP	3,150,697	0	0	0%
EQRA	54,485,733	4	89,132	0.16%
IRDP	34,416,485	0	0	0%
NHLP	2,173,612	0	0	0%
THRCP	97,016,640	2	7,777,545	8%
<b>Total</b>	<b>261,491,655</b>	<b>47</b>	<b>8,622,442</b>	<b>3%</b>

### 2.2.3.2 MOST PROJECTS ACHIEVED AN INFRASTRUCTURE SCORE OF ‘AVERAGE’ OR ABOVE

**We rated the performance of the seven projects that have an infrastructure component, and found that all projects scored Average or above with the exception of one.** The scoring system we use takes into account the number and type of deviations our engineers identified at each sub-project, as well as a score for different elements of infrastructure, like Design, Materials, Workmanship, and Operations and Maintenance. We then aggregated the ratings for the individual sub-projects we visited in 2020 to produce a project rating, as shown in the table below. Annex 1 details our scoring methodology and criteria, and provides descriptions of deviation classifications.

<sup>4</sup> Please note that WEE-RDP is not included in Tables 4-11. The reason for this is because this project did not include an infrastructure component in 2020 so our monitoring for WEE-RDP did not include engineering assessments.

Table 5: TPMA 2020 Project Infrastructure Ratings

PROJECT	RATING
Afghanistan Rural Access Project (ARAP)	Below Average
Citizens' Charter Afghanistan Project (CCAP)	Average
Cities' Investment Project (CIP)	Good
Education Quality Reform in Afghanistan (EQRA)	Average
Irrigation Restoration and Development Project (IRDP)	Average
National Horticulture and Livestock Project (NHLP)	Average
Trans-Hindukush Road Connectivity Project (THRCP)	Average

### 2.2.3.3 GOOD PRACTICE

**We saw examples of Good Practice in nearly all projects.** Part of the engineering assessment involves identifying examples of Good Practice, where the implementing partner exceeds the requirements of the contract and improves the sub-project's overall standard or functionality at no additional cost in terms of time or budget. We found examples of this in all but one of the projects with infrastructure components. In that one case, we only conducted one round of monitoring at a small number of locations compared to the other projects, which involved multiple monthly site visits to a larger number of sub-projects.

Table 6: Summary of Good Practice Identified in 2020

PROJECT	NUMBER	DETAILS
ARAP	41	Most of the instances of Good Practice related to sub-projects where contractor and CDC implementation exceeded design requirements, such as building roads wider than specified in the design. We also saw cases of proactive supervision and record keeping by the MoPW and MRRD engineers.
CCAP	89	Most examples of Good Practice related to high-quality workmanship, followed by exceeding design requirements, constructing additional safety features, and using good-quality materials.
CIP	0	Our engineers did not identify any examples of Good Practice during the reporting period, which may seem odd given the relatively good project rating, but this is due to the fact that we only conducted one round of monitoring for eight sub-projects, compared to other projects monitored on a monthly basis.
EQRA	164	Most examples of Good Practice related to additional work being done by CDCs such as adding elements that were not included in the contract. Some notable examples included water pumps, water tanks, tiles, electric systems, and flush toilets for the latrine block. Tiling on stairs, mosaic flooring instead of plain cement concrete, LED lights, planting of trees and flowers, and increasing the depth of water wells or the height of boundary walls were also observed.
IRDP	1	At the Qush Tapa Canal Irrigation Scheme in Khanabad district, Kunduz, the contractor had made the canal longer than specified in the design requirements.
NHLP	77	Several examples related to using higher-quality brick for raisin house walls. In other examples, check dam walls were built with larger dimensions than specified.
THRCP	5	All of the instances of Good Practice related to the quality of materials and material testing. All of these were found in Segment 6 in Bamyan and related mostly to the sub-base and sub-grade materials.
<b>Total</b>	<b>300</b>	



### Good Practice from the IRDP Project

At the irrigation canal in Qush Tipa in Kunduz, our engineers found that the contractor had built 45 meters of canal. The drawing in this photo shows that the original specification was for 25 meters, but the contractor built an additional 20 meters at no extra expense to the project.

#### 2.2.3.4 DEVIATIONS

Deviations accounted for only 11% of all observations the engineers made. In 2020, our engineers made over 60,000 observations at the construction sites they visited, where they assessed infrastructure progress and quality of work. As part of this process, they identified ‘deviations’, either in the form of unauthorised changes from the stipulated design or technical specifications, or shortcomings in the materials used or quality of workmanship. We classify deviations by the level of their severity and impact on the sub-project’s function (see Text Box 1). We also categorise deviations in relation to Design, Materials, Workmanship and, for completed sub-projects, the quality or application of any Operations and Maintenance (O&M) Plan.

#### Text Box 1: What do the different deviation classifications mean?

As part of their infrastructure assessments, our engineers use lengthy tools which require them to make determinations about hundreds of different aspects at each construction site, called observations. When an observation identifies a problem, this is marked as a deviation, which is further classified by its severity.

**Critical:** A deviation which could lead to the injury or death of a worker or future user if not rectified, or could lead to the failure of the sub-project as a whole.

**Major:** A deviation that is not life-threatening but affects the structural integrity or overall sustainability of the sub-project.

**Minor:** Often cosmetic, this type of deviation does not affect a sub-project’s structural integrity, usability or sustainability. Minor deviations can often be corrected with little effort and at limited cost.

Annex 1 provides further information about how we classify deviations in relation to infrastructure and compliance issues.

Table 7: Deviations Identified in 2020

PROJECT	NUMBER OF SITE VISITS	OBSERVATIONS	CRITICAL	MAJOR	MINOR	TOTAL DEVIATIONS	DEVIATIONS AS % OF TOTAL OBSERVATIONS
ARAP	66	2,024	3	203	248	454	22%
CCAP	1,899	34,673	31	1,237	2,137	3,405	10%
CIP	8	85	0	5	7	12	14%
EQRA	889	21,387	64	414	1,111	1,589	7%
IRDP	68	1,325	1	68	65	134	10%
NHLP	445	3,488	14	492	337	843	24%
THRCPC	113	1,157	8	193	202	403	35%
<b>Total</b>	<b>3,488<sup>5</sup></b>	<b>64,139</b>	<b>121</b>	<b>2,612</b>	<b>4,107</b>	<b>6,840</b>	<b>11%</b>

### 2.2.3.5 RECTIFYING DEVIATIONS

The total estimated cost of rectifying deviations identified in 2020 is less than 1% of the total budgets for the monitored sub-projects. As one of the new features of this combined TPMA contract, our engineers made an on-site estimate of the cost of rectification of each deviation during their site visits. These estimates come from their professional expertise and experience in the Afghan market, not a market exercise for the local or transported cost of labour and materials. While they are not precise measurements, the estimates provide a general sense of the overall scale of deviations and the range of financial resources required to address them. The cost of rectification is kept as a questionable expenditure in the portal until the rectification is completed. The World Bank may declare the rectification cost of a deviation as ineligible expenditure if the project fails to address the deviations.

Not all implementing agencies agree with these figures or find this exercise useful, but we continue to use it because of its potential value in quantifying an approximate savings to the government and identifying overall trends.

Table 8: Estimated Costs of Rectification of Deviations Identified in 2020

PROJECT	TOTAL CONTRACT VALUE MONITORED (AFN)	TOTAL AMOUNT OF ESTIMATED COSTS OF RECTIFICATION (AFN)	% OF TOTAL CONTRACT VALUE MONITORED
ARAP	675,678,957	9,243,359	1.4%
CCAP	4,733,454,635	45,446,396	1.0%
CIP	243,603,636	146,100	0.1%
EQRA	4,195,401,462	54,262,304	1.3%
IRDP	2,650,069,361	10,879,953	0.4%
NHLP	167,368,100	8,182,273	4.9%
THRCPC	7,470,281,280	9,599,590	0.1%
<b>Total</b>	<b>20,134,857,431</b>	<b>131,537,790</b>	<b>0.7%</b>

<sup>5</sup> The total site visits in this table is less than the figure in the map on Page 10 because it does not include the WEE-RDP site visits.



**We developed a new platform to support the rectification process.** Our initial round of monitoring used the tools and data collection software from the previous Supervisory Agent. These tools and software required engineers to make inputs in English. To streamline the infrastructure site visits and improve data quality, we changed to software that accommodated data in Dari and Pashto. This necessitated a change in the digital platform used by the ministries to manage and report progress on rectifications, which we launched in 2020.

**Text Box 2: The rectification process**

We upload the deviations identified by our engineers to the Digital Platform. After quality assurance, we assign these to points of contact in the engineering teams at the respective ministries. These points of contact review the information and assign it to district engineers, who review it and work to rectify the deviation at the sub-project site. Each step involves changes in status on the platform so both the ministry points of contact and our team can track progress and verify rectification.

**The rectification process took some time to gain momentum due to the change in the process and the system, but uptake had noticeably increased by the end of the year.** We maintained the website which housed the rectification process under the previous Supervisory Agent while we developed the new TPMA digital platform, but many ministry counterparts were confused as to whether the deviation and rectification process was active during this time. Once the new platform came online at the end of June 2020, uptake by ministry teams took several months, resulting in a slow rectification process. In Q4 2020, we noted that the speed of rectifications has increased. Our monitoring for CIP began in late Q4 2020, which is why no rectifications are noted for that project in 2020.

**Nearly half of the 6,840 deviations identified in 2020 were rectified by the end of the year.** Ministry engineers rectified 3,211 deviations in 2020, with almost all of these rectifications taking place in the last six months of the year, due to the slow uptake of the new Digital Platform. Some of these deviations were legacy deviations identified by the previous Supervisory Agent.

These rectifications represent a savings of \$681,967 for the Afghan government, with \$522,965 of this amount related to deviations that were or could become life threatening. For those projects where the ministries work with contractors who bore the cost of rectification, this represents real cost savings. In those instances of direct government implementation, the benefit of rectification comes in long-term improved functionality and development impact for communities, as well as accrued savings to ARTF.

Table 9: Deviations Rectified in 2020

PROJECT	CRITICAL	MAJOR	MINOR	TOTAL RECTIFICATIONS
ARAP	2	204	209	415
CCAP	25	607	1,358	1,990
CIP	0	0	0	0
EQRA	9	31	327	367
IRDP	7	166	80	253
NHLP	0	6	1	7
THRCP	5	77	97	179
<b>Total</b>	<b>48</b>	<b>1,091</b>	<b>2,072</b>	<b>3,211</b>

Additionally, we have classified 334 deviations identified this year as ‘non-rectifiable’ because the project had already been closed, sub-project construction was complete, and/or there was no money available to pay for rectifications. We continue to work with the World Bank and the implementing agencies to address these deviations.

Table 10: Deviations Identified as ‘Non-Rectifiable’ in 2020

PROJECT	CRITICAL	MAJOR	MINOR	TOTAL OPEN DEVIATIONS
ARAP	1	39	10	50
CCAP	0	99	38	137
CIP	0	0	0	0
EQRA	16	49	41	106
IRDP	0	21	8	29
NHLP	0	3	2	5
THRCP	1	4	2	7
<b>Total</b>	<b>18</b>	<b>215</b>	<b>101</b>	<b>334</b>

At the end of December 2020, 4,528 open deviations were at various stages of rectification<sup>6</sup>.

Table 11: Total Open Deviations at End of Year 2020

PROJECT	CRITICAL	MAJOR	MINOR	TOTAL OPEN DEVIATIONS	TOTAL OPEN DEVIATIONS (%)
ARAP	1	216	120	337	7%
CCAP	17	759	1,089	1,865	41%
CIP	0	5	7	12	0%
EQRA	39	347	767	1,153	25%
IRDP	0	38	13	51	1%
NHLP	14	483	334	831	18%
THRCP	5	157	117	279	6%
<b>Total</b>	<b>76</b>	<b>2,004</b>	<b>2,447</b>	<b>4,528</b>	<b>100%</b>

### 2.2.3.6 COMPLIANCE WITH ENVIRONMENTAL AND SOCIAL STANDARDS

In addition to assessing investment project infrastructure components, we also monitor compliance with World Bank Environmental and Social Standards (ESS), which aim to reduce project risk and strengthen development outcomes. We look at whether projects have followed environmental risk assessment procedures, and have taken steps to prevent and manage pollution and manage natural resources sustainably. We also monitor for safe labour practices and community health risks. And for projects which involved land acquisition, we verify whether required procedures were followed, especially if the land acquisition resulted in resettlement. As part of the project planning process, community members are given opportunities to voice concerns about environmental risks, and comment on whether their concerns have been appropriately.

Due to the differences between project sectors, objectives and activities, not all standards are relevant across the portfolio. As a result, we may not collect data for each standard for each project or ask questions in the same way. All of this limits our ability to identify a large number of conclusions about compliance at the portfolio level. However, there are a few key findings for those elements where data exists across several projects.

<sup>6</sup> The number of open deviations is not just determined by the information provided in tables 7 (deviations identified in 2020), 9 (deviations rectified in 2020), and 10 (deviations identified as non-rectifiable in 2020). The reason for this is that there were also 1,233 ‘legacy’ deviations identified by the previous Third Party Monitoring Agent that were still open at the beginning of 2020.



### Monitoring Environmental & Social Standards

One of the elements of our ESS monitoring involves verifying that workers are equipped with Personal Protective Equipment (PPE). This photo shows workers at an EQRA sub-project in Koz Tawous Khill in Nangarhar wearing safety equipment.

- We found no significant negative environmental impacts resulting from project activities. Where negative impacts did occur, they were limited and related to the removal of sand and gravel from riverbeds, or to soil, water, dust and noise pollution.
- Soil pollution from construction works was found in just over one-quarter of ARAP, IRDP, and THCRP sub-projects (27 out of 100 sub-projects). Currently, our monitoring does not identify the severity of soil pollution. We will address in future monitoring tool development.
- Necessary dust control measures for sub-projects where dust was a risk were not widely implemented. Across ARAP, CCAP, and THCRP, measures were in place for just under half (47 percent) of the 167 sub-projects where dust creation was an identified risk.
- When project activities have required tree removal, there are efforts to ensure that new trees are planted. For ARAP, CCAP, and EQRA, community members estimated that 4,800 trees had been cut down for sub-project construction and over two-thirds of them had been replaced. Not all trees have been replaced yet, either due to seasonal constraints or because projects may wait until construction is completed.
- CCAP's sub-projects typically involved the most substantial planning and preparation around environmental safeguards. As a community-led development project, community consultation is integrated into its design, resulting in higher reported instances of community discussions about issues like waste disposal than in other projects with a different approach to ESS planning and implementation.

More ESS findings by project can be found in the individual project annexes (Annexes 3-10).

#### 2.2.3.7 GENDER INCLUSION

The World Bank's Environmental and Social Framework emphasises gender inclusion and equality in the design and implementation of investment projects. Each project we monitored in 2020 used various approaches to obtain and incorporate women's concerns and perspectives over the life of the project. Comparisons across projects are not useful due to the different nature of their activities and the length of time between their inclusion initiatives. However, while the effectiveness of inclusion activities varied by project and the



barriers to women's participation can be high, we saw evidence in several of the projects that it is possible to navigate these challenges to ensure that women are active in project design and implementation. We selected the quotes in this section to illustrate common themes from our analysis of the qualitative interview data.

**Nearly all projects have made efforts to ensure women are consulted during sub-project planning and/or implementation.** The two exceptions are the transportation projects: ARAP and THRCP. The results of these efforts are evident from the responses by interview participants.

- Almost three-quarters of the 4,852 respondents in our EQRA monitoring agreed that women had been consulted during sub-project planning and implementation.
- For CCAP respondents, a higher proportion of women than men (86% versus 78%) reported that women had been consulted over sub-project priorities.
- This compares with IRDP, where 75% of the women and 68% of the men we interviewed reported that women had been consulted over sub-project priorities and involved in implementation. It should be noted that IRDP sub-project planning had usually taken place some years before, so the precision of respondents' recollections may be open to question.
- For ARAP, more than 68% of respondents said that women had not been consulted over sub-project support planning. Similarly, 76% reported that women had not been consulted over implementation. Similar low levels of consultation with women can be found in our THRCP data, but this finding cannot be considered conclusive due to the small sample size and limited data.

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*“Women in our community shared their concerns about the river which had been endangering their houses and lands, so we attempted to take action to resolve their concerns. Initially the height of the wall was too short and the water was at risk of flowing over it, so the engineers added almost 60cm to the height of the wall to avoid the overflow of river.”*

CDC Office-Bearer, IRDP, [REDACTED], August 2020

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**Despite the challenges, projects and the women they engage have found ways to navigate barriers and facilitate participation.** These solutions include standard practice that is built into the project design, such as consultative focus groups with women at various points in the project cycle. Some projects adapted their activities in response to a specific challenge during implementation. Community women also demonstrated multiple ways of working within social norms which limited their participation.

- As part of the project design, IRDP hired women to work specifically on gender inclusion. The project conducted community-level consultation activities with women.
- Although the Self-Help Groups created through the WEE-RDP project are intended to be for women only, some community mobilizers faced resistance from male family members in various locations. Opening membership to the men facilitated women's participation and project implementation.
- Across several projects, some community women reported that they voice their input via their husbands or other male family members. They regard this approach as the only culturally appropriate means by which they can participate in or influence decision making.
- In CCAP, respondents in a few communities reported that women had formed a separate, women-only group and appointed one woman to share their concerns with the men on the CDC.



**Women’s presence on project-related decision-making bodies is an important facilitator for community women’s involvement.** Qualitative monitoring data across projects indicates that women mainly used two mechanisms to share their concerns with others: voicing concerns either to a female CDC office-bearer or Sub-Committee member or via a male family member. Many respondents indicated that female CDC office-bearers or Sub-Committee members tend to be proactive in soliciting inputs or hearing grievances from community women, who felt more comfortable speaking to a female CDC office-bearer or Sub-Committee member about grievances than to a man. They also regard female CDC office-bearers or Sub-Committee members as more likely to keep female community members informed about project decisions and activities.

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*“Our deputy CDC is a woman, and when there is a CDC meeting, she attends the meeting with us and shares the concerns from the community women with us. Then she communicates the main message from our meeting back to all the women in the community.”*

CDC Head, IRDP, [REDACTED], October 2020

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**The limited presence of women in project-related decision-making bodies remains a key challenge.** Our findings here are drawn solely from our monitoring for CCAP and EQRA – projects with a large community participatory component through Community Development Councils (CDCs) – to facilitate community-level project delivery. In the case of CCAP, other projects used the CDCs as a way to engage the community, so findings from CCAP shed a light on inclusion challenges for those projects.

The shift to telephone interviews in response to COVID-19 negatively impacted our ability to interview women, a limitation on our general findings related to women’s perspectives and project participation. However, when interviewing CDC office-bearers, we always aim for, and most often succeed in, contacting all four office-bearers in each CDC. This allows us to draw conclusions about the gender composition of the CDCs.

- In EQRA, women comprised only 11% of CDC office bearers. Women were also least likely to be CDC Heads or Treasurers. Out of the 683 CDC Heads and 626 Treasurers we interviewed as part of EQRA monitoring, only three CDC Heads and four Treasurers were women. 75% of all School Management Shuras included at least one female member.
- Of the 3,538 CDC office-bearers interviewed for CCAP monitoring, only 23% were women. Similar to the findings for EQRA, only 2% of the CDC Heads interviewed in 2020 were women, and 3% of the CDC Treasurers.

A number of project components were designed exclusively for women and girls, but cultural and/or security constraints can limit their participation. CCAP respondents reported that the level of women's participation in the Women's Mobility Mapping exercise was the second lowest of the project's five participatory activities after the Seasonal Calendar. Interviewees pointed to the fact that women could not leave their homes without a mahram as a common challenge that precluded their involvement. This restriction, cited mainly in Kunduz, Nangarhar, and Parwan, was due to local social norms or local Taliban presence mandating this expectation.

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*“Because of the Taliban presence in our area, women were not able to participate in the Women's Mobility Mapping activity.”*

Community member from poor quintile, CCAP, ██████████  
██████████, Kandahar Province, December 2020

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Similar cultural constraints, coupled with Taliban influence, were also commonly cited as the main barriers to girls' attendance in EQRA-built schools.

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*“The site where the school is located is insecure and under Taliban occupation. That is why the girls cannot attend the school. If the girls attend the school, they will be in danger from the Taliban.”*

Member of the CDC's Education Sub-Committee, EQRA,  
██████████, Wardak Province, November 2020

## 3 CONCLUSION: BUILDING ON LEARNING FROM 2020

### 3.1 CAPITALISING ON OPPORTUNITIES TO INNOVATE AND LEARN

Against the challenging backdrop of a global pandemic, the first year of the new TPMA contract brought opportunities to learn and adapt. As the first contract to combine financial and physical monitoring, we had to innovate – identifying new ways to combine financial and physical monitoring activities to provide meaningful information about project performance. At the start of the contract in Q1 2020, we adopted a different approach to counting deviations designed to give a more complete view of the number of deviations per sub-project. Then, in Q2 2020, we tried out different data collection software that would allow us to collect data in Dari and Pashto, instead of English, streamlining the interview experience and helping to improve data quality. These changes necessitated the development of a new digital platform that was compatible with the data collection software and could better support the rectification process and the synthesis of financial and physical monitoring.

### 3.2 HOW HAVE WE ADAPTED?

The rollout of these new approaches and tools allowed us to reflect on how well they worked and whether they were fit for purpose following feedback from World Bank and government project teams. Throughout 2020, we adapted methodology and activities several times, either through self-identified problems with rollout or through feedback from Bank and Government project teams. As it became clear that an approach did not result in information that was useful or improved accountability, value for money or development impact, we worked to adapt it in close collaboration with relevant Bank and government stakeholders.

Although intended to account more thoroughly for all deviations in a sub-project, by Q3 2020 it was clear that separately counting all deviations at a site visit resulted in a sharp increase in the number of deviations (many of them Minor) identified by the previous Supervisory Agent. For example, if their engineer saw cracks in the walls of each of the six classrooms in a school that would require repairs, he would record this as one deviation. In contrast, our engineers marked this as six separate deviations in each of the classrooms. While the new approach provided a more accurate picture of all of the deviations, it resulted in a marked number of deviations per site visits. Working with Bank staff and government engineering teams, we identified a solution to ensure that all deviations at a site were accounted for while reducing the high number of recorded deviations. We now record only one deviation per type during a site visit, but identify where all of the deviations of that type occur at the site.

As mentioned above, many of the increased number of deviations were Minor. It is important to focus time and money on addressing the most serious deviations. Again working with Bank and government teams, in Q4 2020 we developed a new category for Minor deviations that cost less than \$50 to fix. These are now classified as ‘Notifications’. This reduces the overall number of deviations and helps project teams focus on the most serious ones, while still retaining a record of the less serious issues identified in our monitoring.

### 3.3 LOOKING FORWARD TO 2021

This process of learning and adaptation is continuous, and one we take with us into 2021. Looking towards this next contract year, we have mapped several steps to expand and strengthen our ability to provide fiscal assurance, value for money, and development impact.

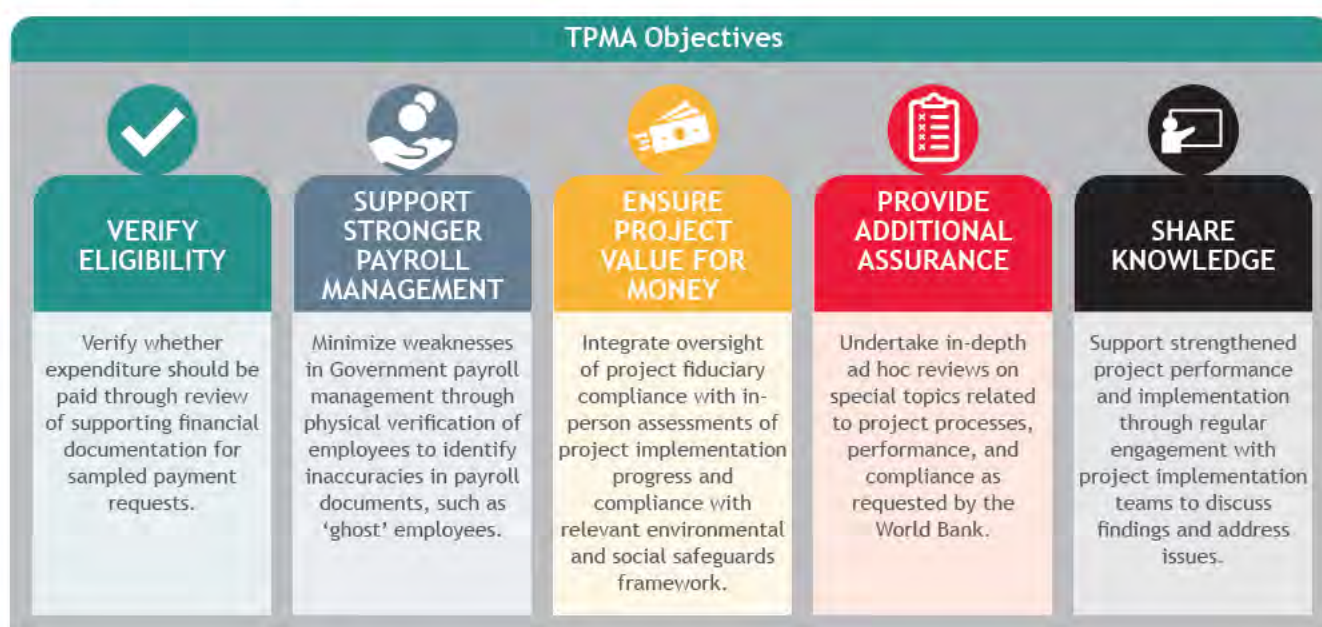
- We will expand the scope of our Personnel Verification, both in the size of our sample and the number of government entities we support through this activity, and we aim to sample 11,800 personnel in 2021.
- We plan to complete at least 14 ICAs and 170 SoEs in 2021.
- As circumstances allow, we will conduct more in-person interviews with women to address the low representation resulting from the switch to telephone interviews in response to COVID-19.
- We will offer more in-person capacity building for financial and procurement staff, an element of our financial monitoring that was limited in 2020 because of the pandemic.
- We will continue to work with World Bank and government stakeholders on a regular basis to address monitoring findings and respond to feedback on processes and reporting.



# ANNEX 1: INVESTMENT PROJECT TPMA SCOPE AND METHODOLOGY

The Third Party Monitoring Agent (TPMA) contract that began in January 2020 is the first to combine both financial and physical monitoring components, which had previously been delivered separately. This synthesis has the largest impact for investment projects. Bringing together reviews of internal financial processes with in-person monitoring visits that assess and verify project implementation, this contract gives the World Bank and other stakeholders a more complete view of investment project performance. Reviews of government procurement and payment processes identify Good Practice, as well as areas where controls can be strengthened. Our regular engagement with government counterparts on both financial and physical monitoring findings helps reinforce Good Practice and collaboration when addressing issues identified in the monitoring. Our range of activities helps improve accountability and delivery of results for the Afghan people.

## OUR OBJECTIVES

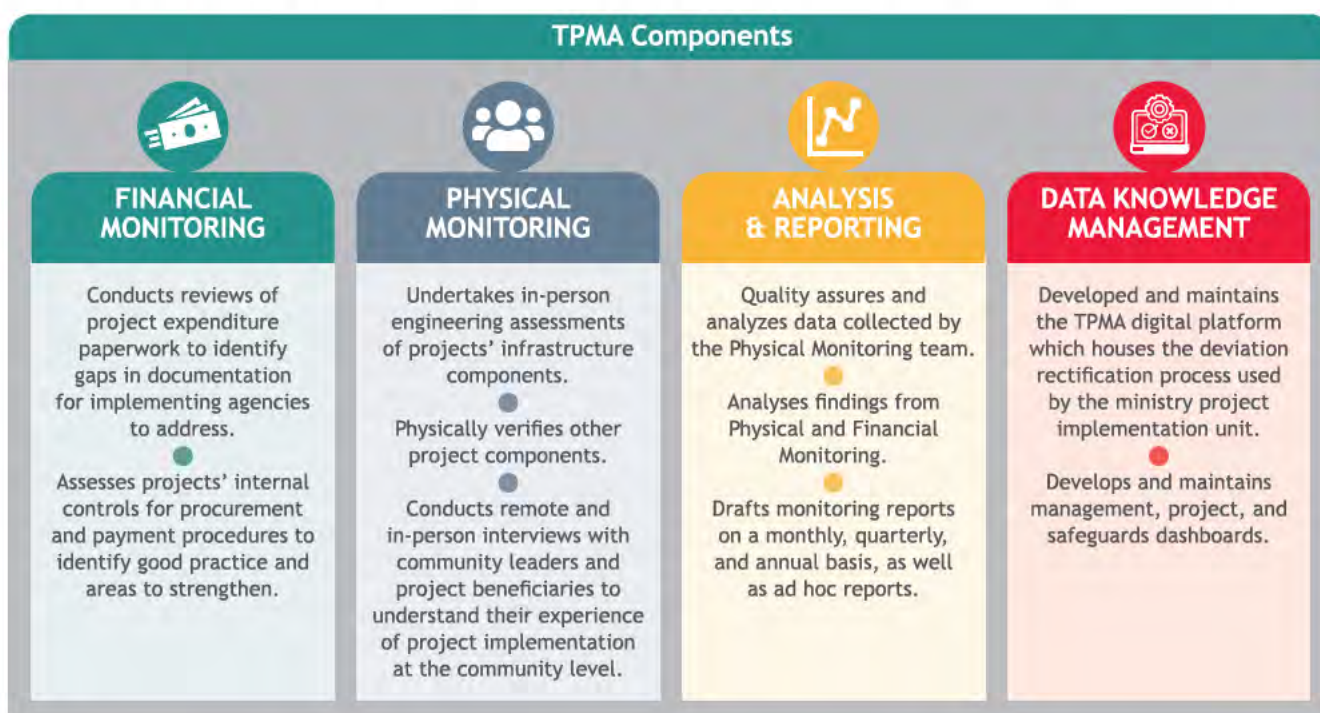


Five main objectives provide a framework for all of our monitoring activities, which are centred around the overarching goal of strengthening systems and project performance. Our reviews of government and project expenditure confirm that it is accurately documented and eligible for payment. Verification of government employees and review of payroll documentation minimise opportunities for 'ghost employees' to occur and help strengthen government payroll management. These types of financial monitoring, integrated with in-person assessments of project implementation and compliance with safeguard frameworks, provide a snapshot of how well projects are achieving value for money and where efficiencies can be made. In instances where the World Bank requires additional assurance, we conduct in-depth ad hoc reviews that can be used to triangulate existing information or identify areas for further inquiry. None of this could be accomplished without strong engagement with World Bank and Afghan government stakeholders to share findings and collaboratively address issues.



## OUR TEAM

To deliver these objectives, our team is organised into four components that work together to provide a coordinated approach to analysing and reporting findings.



Our **Financial Monitoring team**, made up of international and Afghan accountants, coordinates closely with the Ministry of Finance to identify the documents required to conduct and complete reviews of procurement and payment processes, as well as payments made. They also work with the Physical Monitoring team, which supports financial monitoring activities through site visits to collect and photograph documents needed for their reviews and conduct checks to verify the existence of government employees.

The **Physical Monitoring team's** engineers also conduct in-person evaluations of engineering assessments, while social researchers conduct in-person interviews with project implementation staff, as well as local leaders and community members. Call centre agents conduct telephone interviews when in-person interviews are not advised, such as during the COVID-19 pandemic or when access is limited due to weather or security risks.

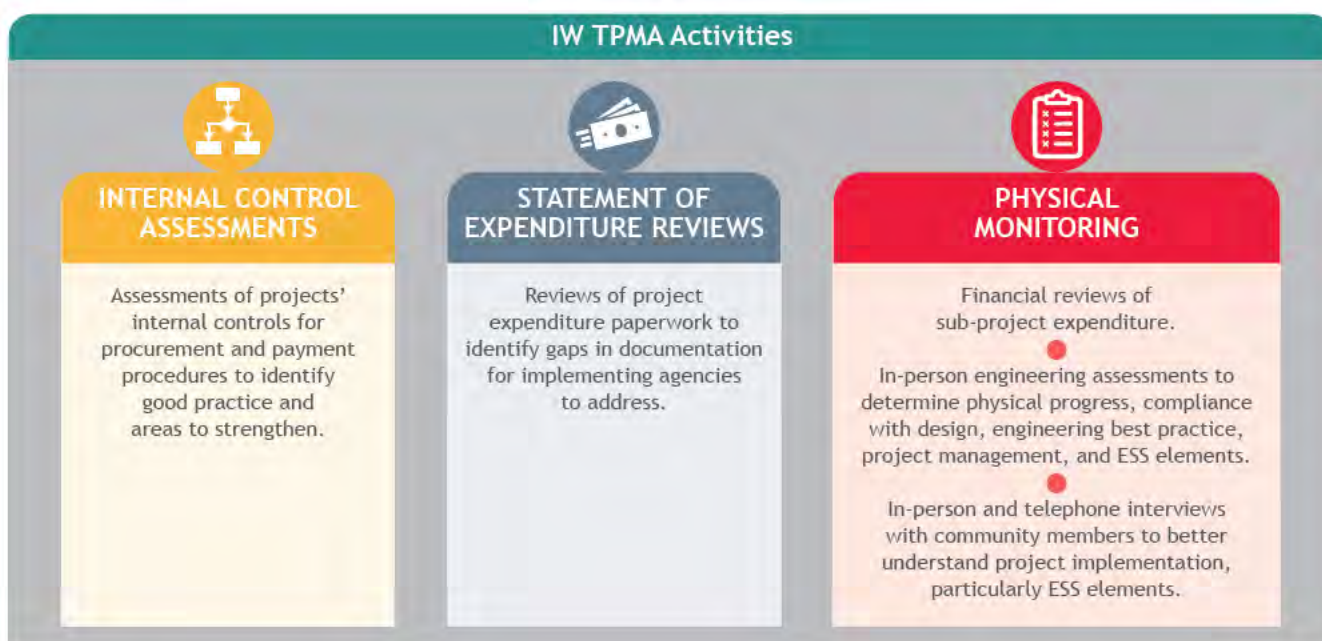
Our **Analysis and Reporting team** cleans and quality-assures the data collected by the Physical Monitoring team before conducting analyses. Findings from the in-person site visits and financial monitoring activities are then compiled monthly, quarterly and in ad hoc reports, as well as project-specific dashboards that allow the World Bank task teams to engage directly with monitoring findings.

The **Data Knowledge Management team** provides support across the TPMA by developing and maintaining a digital monitoring platform that houses the data from physical monitoring site visits, as well as the online tool that ministry teams use to trace the rectification process for the infrastructure deviations TPMA engineers identified in their site visits.



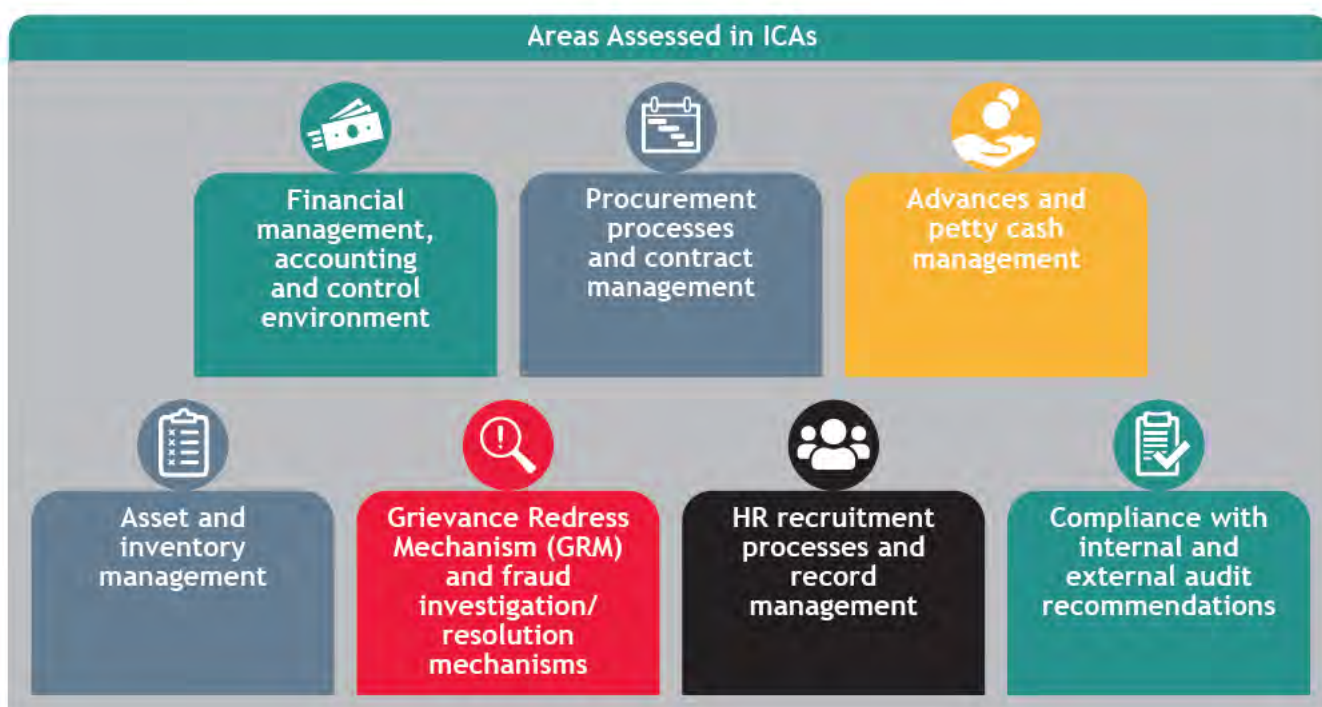
## OUR INVESTMENT PROJECT MONITORING ACTIVITIES

The monitoring services we provide for investment projects integrate oversight of project implementation with compliance with financial regulations and required safeguards. At the beginning of the TPMA contract in January 2020, our services were available to 32 active and ten pipeline projects funded through the Investment Window. At the close of the year, we had supported 30 projects through three main monitoring activities.



### Internal Control Assessments

Our accountants assess the government's project implementation teams' internal control and project management arrangements. These assessments identify whether project financial, operating, and compliance controls exist in seven areas.



We test how adequate existing controls are and whether they are operating effectively. Depending on the requirement, we can conduct assessments from the central to the community level.

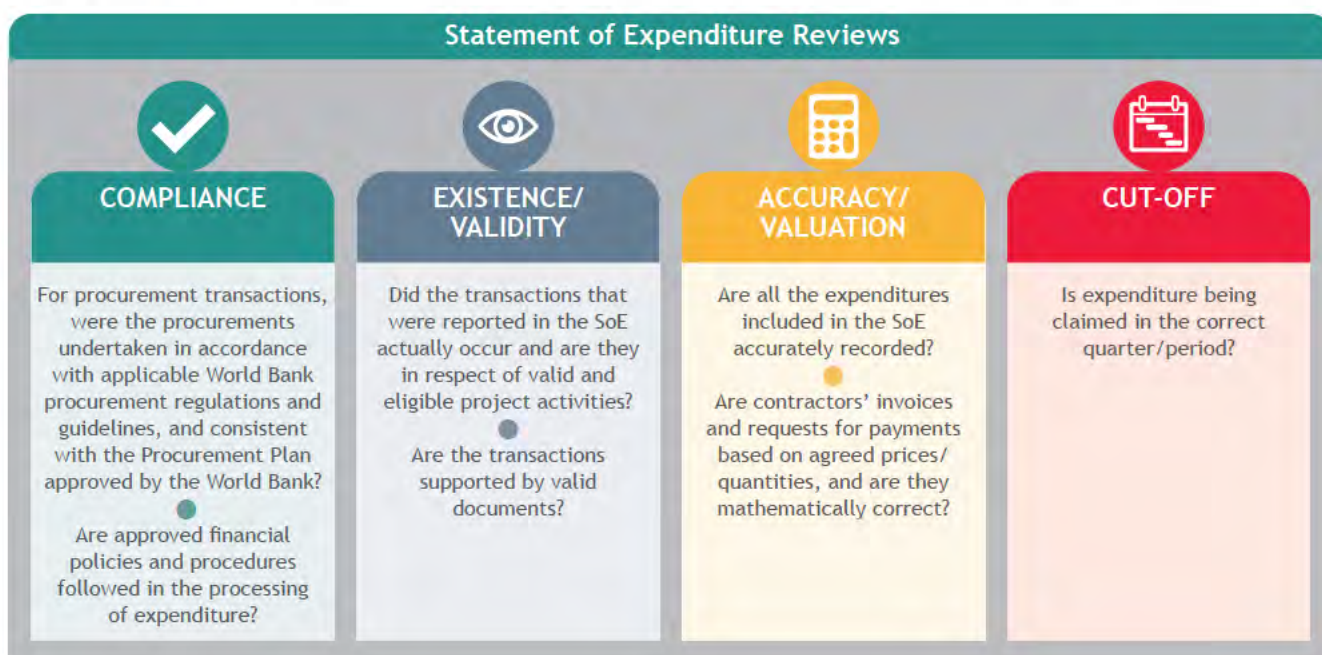
Following completion of the assessment, we interpret and evaluate the results. We classify any issues we identify as either (i) gaps and weaknesses in the adequacy of relevant systems, policies and procedures or (ii) exceptions from our test of the effectiveness of the project’s policies, systems and procedures.

For each issue identified, we provide evidence and confirm its factual accuracy with the relevant team before recording it in an Issues Log/Action Plan. We report the results from the ICAs on a quarterly basis.

Typically, we conduct ICAs at around six months from the beginning of the project, giving the project time to begin full implementation. These assessments are meant to be updated annually to identify progress in addressing identified areas of weakness. We also revisit them before a project’s Mid-Term Review.

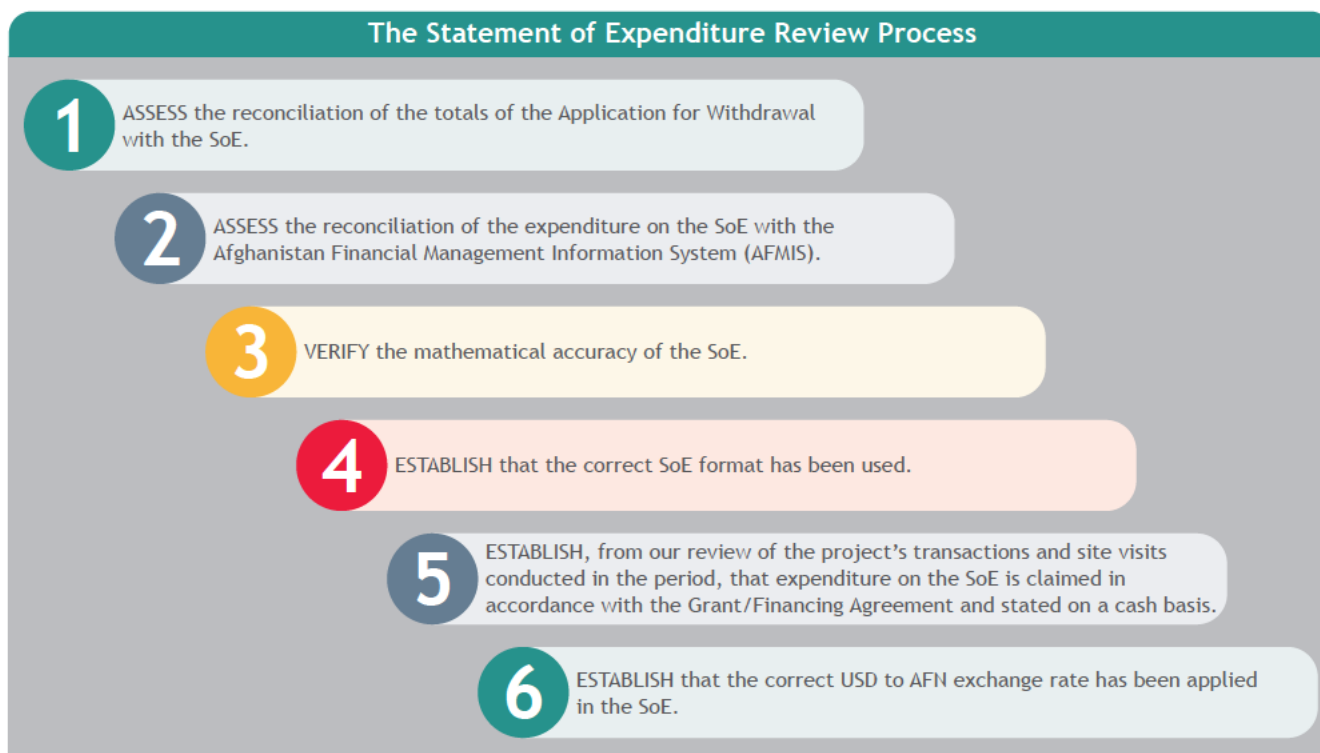
### Statement of Expenditure Reviews

We are required to review Statements of Expenditure (SoEs) that investment projects submit in support of their withdrawal applications. This process includes substantive testing of the projects’ procurement transactions and other expenditure, which primarily comprise Project Implementation and Management (PIM) costs. The overall objective of this testing is to check that project expenditure is eligible under the grant and financing agreements. We achieve this by testing whether expenditure is compliant, valid, accurate, and made within the correct quarter.





The SoE reviews consist of six steps:



Findings from the SoE reviews are submitted in cover letters which we issue on a quarterly basis.

## Physical Monitoring

The largest element of our investment projects monitoring consists of 8,000 physical site visits over the span of two years, coupled with a review of the documentation related to project procurement transactions and other expenditure. This year we exceed the expected 4,000 site visits per year, completing 4,041. Engineers from our Physical Monitoring team undertake in-person monitoring site visits to assess various aspects of the construction that projects undertake. They assign a score to different project elements, including design, materials, and workmanship, based on agreed grading criteria, which we explain in the following sub-section. Social researchers or call centre agents conduct key informant interviews with a range of respondents, including ministry implementing teams and contractors as well as a range of other project stakeholders, leaders and members of communities where our engineers carry out their site visits.

At the beginning of our contract, a social researcher conducted key informant interviews with project staff, Community Development Council (CDC) office-bearers and other community members for the projects' 'soft components' (for example, social mobilization, Environmental and Social Standards, and gender). With the onset of COVID-19, this changed to the researcher engaging in a much more restricted and socially distanced way with the CDC Head or local community leader to obtain phone numbers for subsequent remote surveying and photograph relevant sub-project documents. Call centre agents then conducted telephone interviews with respondents.

## SCORING AND GRADING

Our starting point for scoring and grading sites or sub-projects is our engineer's observations, reinforced by documentary evidence (including photographs), and further evidenced by survey responses from local project staff, contractors and technical personnel, labourers, male and female CDC office-bearers, and other community leaders and members.

Our engineers then produce a score for different infrastructure elements: Design, Materials, Workmanship, and the Operations and Maintenance Plan where applicable, based on the zero to five scoring model outlined in Table 1.

Table 1: Initial Scoring and Rating

DEFINITION	INITIAL SCORE	INITIAL RATING
<b>Design</b>		
The design was created with full consideration of the site requirements. The design is fully appropriate and allows for 100% of intended functionality and design life.	5	Very Good
The design responds to almost all site requirements; however, small considerations could have reduced wear and tear and lowered maintenance requirements. Intended functionality is between 90% and 100% and design life is not impacted.	4.0 - 4.9	Good
The design responds only to the major requirements of the site. Some of the design may be inappropriate or missing important elements, causing the project to have between 70% and 90% of intended functionality and a shorter design life.	3.0 - 3.9	Average
The design does not respond to all the major requirements of the site. Much of the design may be inappropriate or missing important elements, severely lowering functionality to between 40% and 70%. Sustainability is negatively impacted, and the project will require more maintenance than otherwise would be necessary.	2.0 - 2.9	Below Average
The design responds only to a few of the major requirements of the site. The design may be largely inappropriate or missing important elements, making the project unsustainable and non-functional in a number of identifiable areas (between 10 and 40%). Portions of the design may have not been feasibly implemented.	1.0 - 1.9	Poor
The design does not consider any of the major requirements of the site. The design is inappropriate, making the project unsustainable and non-functional (below 10%). Identified deficiencies cannot be remedied without affecting the sub-project budget or timeframe and may not be capable of rectification.	0.0 - 0.9	Very Poor
<b>Materials</b>		
The materials used meet all the technical specifications and exceed them in some areas.	5	Very Good
The materials used meet all the technical specifications.	4.0 - 4.9	Good
The materials used meet the major specifications, with some evident deficiencies that can be remedied without affecting the sub-project budget or timeframe.	3.0 - 3.9	Average
The materials used deviate from the technical specifications, with a number of evident deficiencies that can be remedied but are likely to affect the sub-project budget or timeframe.	2.0 - 2.9	Below Average
Many of the materials used deviate from the technical specifications, with many evident deficiencies that cannot be remedied without affecting the sub-project budget or timeframe.	1.0 - 1.9	Poor

Table 1: Initial Scoring and Rating (continued)

DEFINITION	INITIAL SCORE	INITIAL RATING
All or almost all of the materials used deviate from the technical specifications, requiring serious reworking up to and including complete replacement. Identified deficiencies cannot be remedied without affecting the sub-project budget or timeframe and may not be capable of rectification.	0.0 - 0.9	Very Poor
<b>Workmanship</b>		
The quality of workmanship meets all the technical specifications and exceeds them in some areas.	5	Very Good
The quality of workmanship meets all the technical specifications.	4.0 - 4.9	Good
The quality of workmanship meets the major specifications, with some evident deficiencies that can be remedied without affecting the sub-project budget or timeframe.	3.0 - 3.9	Average
The quality of workmanship meets the technical specifications, with a number of evident deficiencies that can be remedied but are likely to affect the sub-project budget or timeframe.	2.0 - 2.9	Below Average
The quality of workmanship deviates significantly from the technical specifications, with many evident deficiencies that cannot be remedied without affecting the sub-project budget or timeframe.	1.0 - 1.9	Poor
In all or almost all cases, the quality of workmanship deviates from the technical specifications, requiring serious reworking up to and including complete replacement. Identified deficiencies cannot be remedied without affecting the sub-project budget or timeframe and may not be capable of rectification.	0.0 - 0.9	Very Poor
<b>Operations and Maintenance (applicable to Completed projects)</b>		
The O&M Plan is fully funded and being implemented. It meets all the requirements of the site or sub-project, exceeds it in some identifiable areas, and is expected to be sustainable over the entire design life of the sub-project.	5	Very Good
The O&M Plan meets all the requirements of the site or sub-project and is fully funded. If not already being implemented, it is expected to be fully funded and to be sustainable over the entire design life of the sub-project.	4.0 - 4.9	Good
The O&M Plan meets the major requirements of the site or sub-project. The majority of funds needed are in place to support implementation.	3.0 - 3.9	Average
The O&M Plan meets some but not all of the major requirements of the site or sub-project. A small amount of the funds needed to support implementation are in place. If not already being implemented, the Plan is not expected to be fully funded.	2.0 - 2.9	Below Average
The O&M Plan meets very few of the major requirements of the site or sub-project.	1.0 - 1.9	Poor
The O&M Plan does not support or is likely to fail to support the sustainability of the site or sub-project.	0.0 - 0.9	Very Poor

Quality Assurance Engineers from the Physical Monitoring team and an engineer from the Analysis and Reporting Team review the deviations identified by the engineers, assigning a classification of either Notification, Minor, Major, or Critical. Table 2 presents the criteria for each deviation category.

Table 2: Criteria for Deviation Categories

CATEGORIES	DEFINITION
Critical	Failure to construct infrastructure in a way that protects workers or community members during construction and requiring urgent mitigation before work can continue.
	For completed infrastructure, failure to construct infrastructure in a way that protects community members or users.
	A non-recoverable negative impact in terms of structural quality, functionality or sustainability.
Major	Capable of being rectified but not within existing budget and/or timeframe for completion.
	A significant negative impact in terms of overall structural quality, functionality and/or sustainability. Not capable of being rectified and resulting in agreed budget and timeframe for completion being exceeded.
Minor	Capable of being rectified within existing budget and/or timeframe for completion.
	No significant negative impact in terms of overall structural quality, functionality and/or sustainability. Not capable of being rectified but no negative effect on agreed budget and timeframe for completion.
Notification	Minor deviations identified with an estimated rectification cost of under \$50 are treated as Notifications, listed and supplied to the government project team for resolution.

The score that we apply to a sub-project depends on the number and type of deviations identified by the engineers. For example, a sub-project with a score of 3.5 with no Critical deviations would be graded as Good. If, however, it had more than two Major deviations, it would be downgraded to Average.

We determine a final sub-project rating by considering the number and nature of deviations identified, making allowances for instances of Good Practice, which we define as additional work completed to improve the functionality of the project at no additional cost. Project-level scores are the average of final ratings for all of a project’s sub-projects monitored that period

SCORE	DEVIATIONS	FINAL RATING
5.00	No deviations	Very Good
	Not more than 4 Minor deviations	Good
3.00-4.99	No Critical deviations	Good
	1 Critical deviation	Below Average
	More than 1 Critical deviation	Poor
	Not more than 2 Major deviations	Good
	Not more than 5 Major deviations	Average
	More than 5 Major deviations	Below Average
	Not more than 4 Minor deviations	Good
	Not more than 10 Minor deviations	Average
More than 10 Minor deviations	Below Average	



SCORE	DEVIATIONS	FINAL RATING
	No Critical deviations	Below Average
	1 Critical deviation	Poor
	More than 1 Critical deviation	Very Poor
2.00-2.99	Not more than 2 Major deviations	Below Average
	More than 2 Major deviations	Poor
	Not more than 4 Minor deviations	Below Average
	More than 4 Minor deviations	Poor
0.00-1.99	Not more than 1 Critical deviation, not more than 5 Major deviations, or not more than 10 Minor deviations	Poor
	More than 1 Critical deviation, more than 5 Major deviations, or more than 10 Minor deviations	Very Poor

## ADAPTING OUR METHODOLOGY

Throughout 2020, we tested and adapted the methodology we outlined in our Inception Report, adjusting in response to changing circumstances or feedback from the World Bank and ministry project teams.

### Response to COVID-19

The COVID-19 pandemic required us to rethink our approach to in-person monitoring visits to reduce the risk of infection to our monitoring staff and the people they engaged with. We continued in-person engineering site visits since the nature of these assessments allowed us to limit personal interaction. Our in-person interviews with a variety of respondents required the most significant changes to our methodology. Instead of social researchers accompanying engineers at the time of the site visit, they visited the community to speak with a CDC Head or other community leader to photograph required documents and obtain the phone numbers of other respondents for later remote interviews with our call centre agents.

This shift severely limited our ability to engage with women. In Afghanistan, interviews with women – particularly in rural communities – take place at home. With the switch to remote interviews, women were less likely to participate in phone calls with strangers. We attempted to mitigate this as much as possible by employing only women in our call centre, but the number of women we interviewed each month decreased significantly: from over 40% of all respondents in Q1 to 22% in Q4.

### Reporting Deviations

Our original methodology introduced a new approach for recording engineering deviations at sub-project construction sites. The previous Supervisory Agent recorded only one deviation of a type at a site. For example, if their engineer saw cracks in the walls of each of the six classrooms in a school that would require repairs, he would record this as one deviation. In contrast, our engineers marked this as six separate deviations, one in each classroom. While the new approach provided a more accurate picture of all of the deviations, it resulted in a marked increase in the number of deviations per site visit. Both the World Bank and ministry project teams provided feedback that the new approach overwhelmed district project engineers and made it difficult to identify where best to target limited resources. Together we agreed that a slightly revised approach was needed. Our engineers will now record one deviation per type, but note how many times and where that deviation appears at the site. This keeps the number of deviations at a manageable level for engineers, while providing information for all deviations at a given site.

## Introducing New Classifications

World Bank and ministry teams also provided feedback that they wanted a way to better target staff resources to fix more serious deviations, rather than many smaller, often insignificant deviations which required little in rectification costs. Following discussions of various options, we suggested introducing 'Notification' as a new classification of engineering observation for all Minor deviations that cost an estimated \$50 to rectify. This allows us to still identify the deviation, but not prioritise it for rectification over other more serious deviations. We reclassified all existing deviations that met the Notification criteria and engineers now use this new classification across all projects.

## Refining Integration of Financial and Physical Monitoring

As this is the first contract that brings together financial and physical monitoring aspects, we are testing various analytical and reporting approaches that will provide useful information to project teams. The first of these was a comparison between the percentage of the total budget that the project has spent and a project's physical progress. Ideally, these two figures would be within a close range, indicating that physical implementation was keeping pace with budget spend, rather than incurring large overpayments.

While project teams have generally found this comparison useful, it does not always reflect project reality. Large initial up-front payments often are made in major infrastructure projects, which would seem like overpayments in the comparison mentioned above. Often financial progress in a ministry's Management Information System is not up to date due to delays in receiving expenditure documentation from the district, and as a result physical progress appears to exceed financial payments by a significant amount.

We are currently working with the different project teams to identify ways to improve this comparison and ensure that it reflects project realities more accurately and provides useful information. For example, for the EQRA project, this would require comparison of the tranche payment made with the physical progress. More broadly, we are also exploring ways to integrate more findings from financial monitoring activities like Internal Controls Assessments and Statement of Expenditure Reviews into our project reporting in our 2021 reports.

## ANNEX 2: STATEMENTS OF EXPENDITURE ISSUED IN 2020

In 2020, we issued 74 Statement of Expenditure Cover Letters, which identify the amount we recommend for replenishment based on our review of what implementing agencies have spent, including procurement, payroll, and project implementation and management payroll. The expenditure claimed for replenishment by the project on its Statement of Expenditure is presented in the 'Total Expenditure Reviewed' column. The 'Adjustments' are in respect of questionable transactions and red flags identified during our review, primarily involving non-compliance with procurement and financial policies, and lack of documentation to support the transaction. In some cases, the Adjustments are reversed in subsequent quarters upon resolution of the issues identified. This amount is deducted from the Total Expenditure to arrive at the total amount that we recommend for replenishment in our Cover Letters.

All amounts are presented in US Dollars.

PROJECT	PROJECT ID	SOE ISSUED	PROCUREMENT	PAYROLL	PROJECT IMPLEMENTATION AND MANAGEMENT EXCLUDING PAYROLL	TOTAL EXPENDITURE	ADJUSTMENTS	REPLENISHMENT
A2F	P128048	Q2	701,625	14,771	4,742	721,138	-	721,138
A2F	P128048	Q3	1,811,378	17,963	3,531	1,832,872	-	1,832,872
A2F	P128048	Q4	2,533,828	15,677	9,473	2,558,979	(607,537)	1,951,441
AGASP	P172109	Q3	21,746	120,199	25	141,970	-	141,970
ARAP (MoT)	P125961	Q2	236,321	367,979	8,428	612,728	-	612,728
ARAP (MoT)	P125961	Q3	1,382,450	471,298	36,887	1,890,635	(35)	1,890,600
ARAP (MRRD)	P125961	Q2	448,718	363,847	-	812,565	-	812,565
ARAP (MRRD)	P125961	Q3	1,245,076	234,035	153	1,479,264	-	1,479,264
ASDP II	P132742	Q2	2,014	133,123	-	135,137	-	135,137
ASDP II	P132742	Q3	4,413	273,501	-	277,915	(593)	277,321
ASDP II	P132742	Q4	42,523	152,740	17,769	213,032	(43,537)	169,495
ASGRP	P160606	Q2	-	44,253	-	44,253	-	44,253
ASGRP	P160606	Q3	-	81,269	-	81,269	-	81,269
CASA 1000	P145054	Q3	877,055	31,105	-	908,160	-	908,160
CASA 1000	P145054	Q4	76,050	23,253	11,658	110,961	-	110,961
CCAP (IDLG) OpEx	P160568	Q4	544,115	616,799	115,661	1,276,575	(483,570)	793,005
CCAP (MRRD) CDC Grant Lot 1	P160567	Q3	22,884,524	-	-	22,884,524	(37,634)	22,846,890
CCAP (MRRD) CDC Grant Lot 2	P160567	Q4	10,087,995	-	-	10,087,995	(9,400)	10,078,595

PROJECT	PROJECT ID	SOE ISSUED	PROCUREMENT	PAYROLL	PROJECT IMPLEMENTATION AND MANAGEMENT EXCLUDING PAYROLL	TOTAL EXPENDITURE	ADJUSTMENTS	REPLENISHMENT
CCAP (MRRD) CDC Grant Lot 3	P160567	Q4	11,215,724	-	-	11,215,724	(133)	11,215,591
CIP	P160619	Q2	-	41,999	5,715	47,714	(5,715)	41,999
CIP	P160619	Q4	235,566	163,718	60,488	459,772	(202,164)	257,608
Covid-19 ERHPP	P173775	Q3	4,892,899	-	25	4,892,924	(1,150,994)	3,741,930
Covid-19 ERHPP	P173775	Q4	-	-	21,940	21,940	-	21,940
DABS PCS	P131228	Q2	-	7,207	-	7,207	(7,207)	-
DABS PCS	P131228	Q3	49,346	13,896	9,846	73,089	-	73,089
DABS PCS	P131228	Q4	96,326	10,560	-	106,886	-	106,886
DABS PCS	P131228	Q4	54,626	-	15,339	69,965	-	69,965
Digital CASA	P156894	Q3	93,000	128,917	5,243	227,160	-	227,160
EQRA (MoE)	P159378	Q2	-	295,381	-	295,381	-	295,381
EQRA (MoE)	P159378	Q3	-	468,690	75	468,765	75	468,840
EQRA (MoE)	P159378	Q4	-	537,167	4,973	542,140	-	542,140
EQRA (MRRD) CDC Grant	P159378	Q4	6,149,864	-	-	6,149,864	(1,799)	6,148,065
EQRA (MRRD) OpEx	P159378	Q4	-	372,459	13,118	385,577	(24,221)	361,356
EQRA (MRRD) OpEx	P159378	Q4	-	247,531	-	247,531	-	247,531
EZ-Kar (IDLG)	P166127	Q2	-	144,114	-	144,114	-	144,114
EZ-Kar (KM)	P166127	Q2	20,881	12,175	-	33,055	-	33,055
EZ-Kar (KM)	P166127	Q4	19,300	26,659	2,499	48,458	(8,931)	39,526
EZ-Kar (MoEc)	P166127	Q2	-	85,152	-	85,152	-	85,152
EZ-Kar (MoEc)	P166127	Q3	9,643	130,220	8,603	148,465	50	148,515
EZ-Kar (MoEc)	P166127	Q4	88,331	182,046	60,250	330,627	(55,090)	275,537
EZ-Kar (MoFA)	P166127	Q3	-	61,642	50	61,692	50	61,742
EZ-Kar (MoFA)	P166127	Q4	-	39,144	7,846	46,989	(6,449)	40,540
FSP	P159655	Q2	165,421	588,008	83,337	836,767	(16,768)	819,999
FSP	P159655	Q3	1,147,284	1,010,541	125,211	2,283,036	(138,599)	2,144,436
HEDP	P146184	Q2	-	259,860	-	259,860	(29,058)	230,803



PROJECT	PROJECT ID	SOE ISSUED	PROCUREMENT	PAYROLL	PROJECT IMPLEMENTATION AND MANAGEMENT EXCLUDING PAYROLL	TOTAL EXPENDITURE	ADJUSTMENTS	REPLENISHMENT
HEDP	P146184	Q3	95,962	183,118	106,958	386,038	-	386,038
HEDP	P146184	Q4	132,600	339,134	20,536	492,270	(1,206)	491,064
HEP	P162022	Q2	508,668	107,913	-	616,581	(579,250)	37,331
HEP	P162022	Q3	1,736,697	68,025	26,588	1,831,311	(197,914)	1,633,397
HEP	P162022	Q4	1,313,034	44,857	105	1,357,996	-	1,357,996
IRDP	P122235	Q2	1,162,861	273,963	19,948	1,456,771	309,044	1,765,815
IRDP	P122235	Q3	4,181,654	732,547	82,595	4,996,796	(355,580)	4,641,216
IRDP	P122235	Q4	5,667,129	746,579	46,043	6,459,751	(1,903,318)	4,556,433
KMDP	P125597	Q2	95,859	233,601	4,110	333,570	-	333,570
KMDP	P125597	Q4	2,485,330	506,587	110,889	3,102,806	(2,129,669)	973,138
KUTEI	P131864	Q4	1,340,416	215,520	16,634	1,572,570	-	1,572,570
MASOB	P161348	Q4	62,933	27,050	631	90,615	-	90,615
NHLP	P143841	Q2	49,651	1,090,825	-	1,140,476	(49,651)	1,090,825
NHLP	P143841	Q4	5,704,905	2,318,465	126,163	8,149,532	(1,750,855)	6,398,678
NHLP	P143841	Q4	777,421	505,584	36,751	1,319,757	(329,261)	990,495
NHRP	P132944	Q2	-	98,997	-	98,997	(73,955)	25,042
NHRP	P132944	Q4	90,773	173,569	-	264,342	-	264,342
PPIAP	P158768	Q3	724,323	254,768	9,064	988,155	(18,156)	969,999
Sehatmandi	P160615	Q3	208,090	988,866	1,673,709	2,870,665	(276,117)	2,594,548
TAGHIR	P166978	Q4	81,976	4,200,065	50	4,282,092	(39,111)	4,242,980
THRCP	P145347	Q2	10,361	109,054	-	119,414	(466,230)	-
THRCP	P145347	Q3	1,168,037	83,975	223,049	1,475,061	(919,398)	555,664
THRCP	P145347	Q4	2,682,286	287,211	32,166	3,001,662	-	3,001,662
UDSP	P147147	Q2	848,956	53,841	43,957	946,754	(6,496)	940,258
UDSP	P147147	Q3	202,661	35,769	896	239,326	-	239,326
UDSP	P147147	Q4	1,159,651	20,132	39,589	1,219,372	-	1,219,372
WEE-NPP	P159291	Q3	-	57,513	9,002	66,515	-	66,515
WEE-RDP	P164443	Q2	-	245,779	-	245,779	(8,882)	236,897
WEE-RDP	P164443	Q4	79,189	1,188,411	190,465	1,458,065	(163,845)	1,294,219
Total			99,709,465	22,980,616	3,452,783	126,142,865	(11,789,109)	114,700,570

# ANNEX 3: AFGHANISTAN RURAL ACCESS PROJECT (ARAP)

## INTRODUCTION

ARAP aimed to provide rural communities with all-season road access to basic services and facilities. The project focused mainly on the rehabilitation and upgrading of existing access roads and was implemented by the Ministry of Public Work (MoPW) and the Ministry of Rural Rehabilitation and Development (MRRD). The project closed in 2020.

## FINANCIAL MONITORING

Four Statements of Expenditure (SoEs) were completed in 2020: two each for MoPW and MRRD. In addition, for FY 1399, three further SoEs have since been cleared (one for MoPW and two for MRRD) in 2021.

### ARAP Monitoring Activities

- A financial review of sub-project expenditures
- Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguard standards
- In-person interviews by social researchers to check available project documentation and adherence to environmental and social safeguards.
- Telephone interviews to better understand project implementation, particularly with respect to community engagement.

Table 1: Statement of Expenditure Claims in 2020 (in USD)

PERIOD OF CLAIM	ENTITY	PROCUREMENT	PAYROLL	PIM <sup>1</sup> COSTS	TOTAL	ADJUSTMENT PROPOSED	ADJUSTED TOTAL
Q1 1399	MoPW	236,321	367,979	8,428	612,728	-	612,728
Q2 1399	MoPW	1,382,450	471,298	36,887	1,890,635	(35)	1,890,600
Q1 1399	MRRD	448,718	363,847	-	812,565	-	812,565
Q2 1399	MRRD	1,245,076	234,035	153	1,479,264	-	1,479,264
<b>TOTAL</b>		<b>3,312,565</b>	<b>1,437,159</b>	<b>45,468</b>	<b>4,795,192</b>	<b>(35)</b>	<b>4,795,157</b>

<sup>1</sup> PIM stands for Project Implementation and Management

### ARAP Sub-Project Financial Review Findings

4



Number of sub-projects where financial progress exceeded physical progress by more than 15%

15,102,807



Value of payments where financial progress exceeded physical progress by more than 15%

2.2 percent



These payments as a percentage of all monitored contracts

#### Rectifications

#### Total



Value of Contracts Monitored (AFN)

675,678,957



Estimated Cost of Rectifications (AFN)

9,243,359



Cost of Rectification as a Percentage of Monitored Contracts

1.4 percent



## ARAP Monitoring in 2020

Number of Site Visits per Province in CY 2020



### ARAP Sub-Projects Visited per Province

2	Badakhshan	1	Khost
14	Baghlan	2	Laghman
2	Daykundi	2	Nangarhar
3	Faryab	1	Paktiya
1	Ghor	3	Paktika
2	Helmand	3	Parwan
2	Kabul	1	Sar-I-Pul
3	Kandahar	1	Uruzgan
1	Kapisa	2	Wardak

### Summary of ARAP Monitoring Activities

No. of Road Segments Visited by Physical Monitoring Team

**66** MoPW: 24, MRRD: 42

No. of CDCs Visited by Physical Monitoring Team

**52**

MoPW:12, MRRD:40

No. of Sub-Projects Visited by Physical Monitoring Team

**46**

MoPW:8, MRRD:38

No. of CDCs Monitored by Financial Monitoring Team

**31**

MoPW: 4, MRRD:27

No. of Sub-Projects Monitored by Financial Monitoring Team

**31**

MoPW: 4, MRRD:27

### Respondents

CDC/Community Respondents Interviewed for ARAP			Total
CDC Office Bearers	12	107	119
Community Leaders	0	2	2
Contract Supervisory Unit	0	14	14
Contractor	0	5	5
Labourers	0	26	26
Local Leaders	6	47	53
Sub-Committee Members	2	55	57
Village Head	0	22	22
<b>Total Respondents</b>	<b>20</b>	<b>278</b>	<b>298</b>

### TPMA Staff Monitoring ARAP

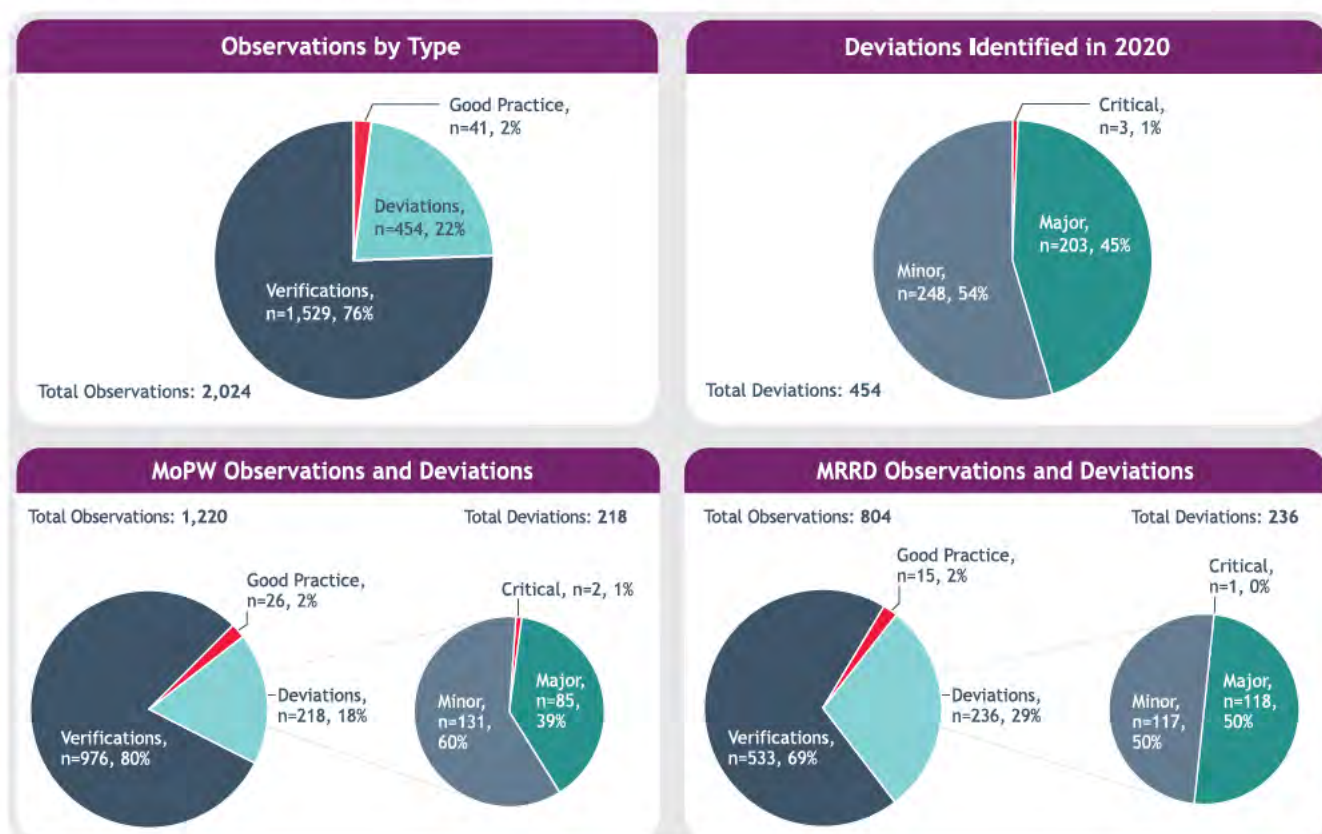
Social Researchers:	2	Call Centre Agents:	6	Engineers:	10
0	2	5	1	0	10

## PHYSICAL MONITORING

Our engineers monitored 46 sub-projects, of which 20 were assessed as Completed, 18 as Ongoing, seven as Under Defect Liability Period, and one as Stopped. Project delays were mostly attributed to poor weather, Taliban interference and insecurity, and late receipt of funds

### Observations

‘Observations’ highlight all the data points captured by our engineers when assessing the sub-project on site. These include: **1)** various checks of standards that we call ‘Verifications’; **2)** ‘Good Practice’, which we define as additional work completed to improve the functionality of the project at no additional cost; and **3)** ‘Deviations’ (for example deviations from project design or social and environmental safeguards), which are classified into critical, major and minor categories as explained in Table 2 of Annex 1.



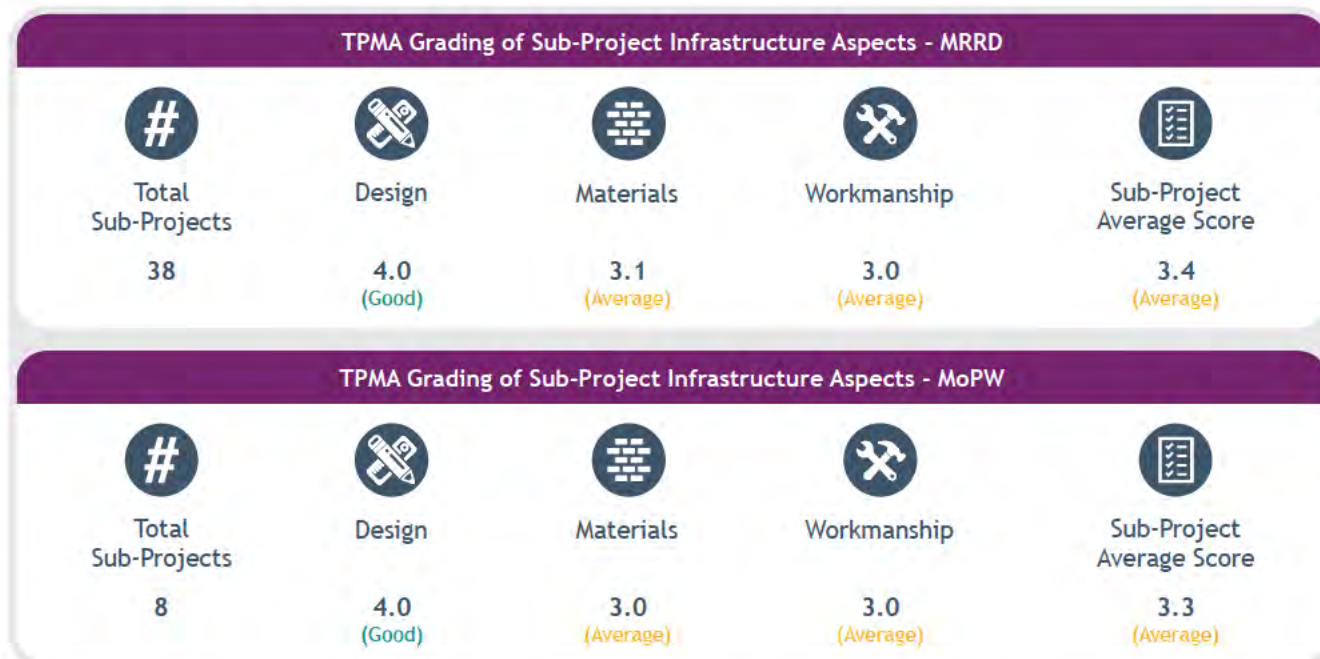
### Good Practice

We recorded 41 examples of Good Practice over the year. Most of these were related to sub-projects where contractor and Community Development Council (CDC) implementation exceeded design requirements. We also saw cases of proactive supervision and record keeping by the MoPW and MRRD engineers.



## Infrastructure - Aspect Scores

We graded sub-projects by the quality and applicability of design, quality of materials used and workmanship. These ratings ranged from 1 (Low) to 5 (High). The methodology for how we calculate these ratings is explained in Annex 1. For ARAP, Design tended to receive higher marks while both Use of Materials and Workmanship were graded as Average.



Under ARAP, sub-projects are the equivalent of various types of roads being constructed. This also makes it possible to disaggregate these ratings by sub-project.

Aspect Grades by Government Entity and Road Type						
Ministry	Type of road					Average
		Sub-Projects	Design	Materials	Workmanship	
MoPW	Asphalt Road	2	4.2	3.0	3.0	3.4
	Gravel Road	5	3.9	3.1	3.0	3.3
	Girder Bridge	1	4.0	3.9	3.9	3.9
MRRD	Asphalt Road	1	3.9	2.6	2.5	3.0
	Concrete Road	16	4.0	3.2	3.2	3.5
	Gravel Road	21	4.2	3.1	3.1	3.5

## Deviations

Throughout 2020, TPMA engineers made a total of 2,024 observations during 66 site visits. They reported 454 deviations in total, with three assessed as Critical, 203 as Major and 248 as Minor.

Sub-Projects with Deviations	MoPW	MRRD	Total
Sub-Projects	8	38	46
Sub-Projects with No Deviations	1 / 8 percent	11 / 92 percent	12 / 26 percent
Sub-Projects with Critical/Major Deviations	7 / 27 percent	19 / 73 percent	26 / 57 percent
Sub-Projects with <u>Only</u> Minor Deviations	0 / 0 percent	8 / 100 percent	8 / 17 percent

Our engineers identified probable causes for each deviation. Most of the Critical and Major deviations were attributed to poor oversight by the project team and the contractor, contributing to poor adherence to design specifications and poor workmanship. Other reasons attributed for deviations were poor use of materials, poor site survey and design. Deviations were most frequently found in RCC Slab Culverts, Stone Masonry, Wing Walls, Gabion Walls and Gravel Road Wearing Courses.

Deviations can also be organised by infrastructure element. Most deviations (48 percent, n=217) were related to poor workmanship.

### Deviations by Aspect and Classification - MRRD

Aspect	 Design	 Materials	 Workmanship	 Project Management	 O&M	 Social Safeguards	 Environmental Safeguards
Minor	0	20	75	9	11	0	2
Major	4	6	16	2	32	0	1
Critical	0	0	1	0	0	0	0
Total	4	26	92	11	43	0	3

### Deviations by Aspect and Classification - MoPW

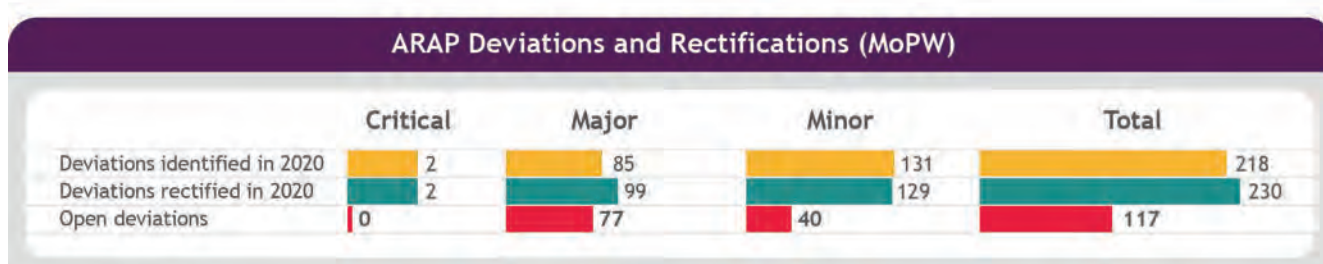
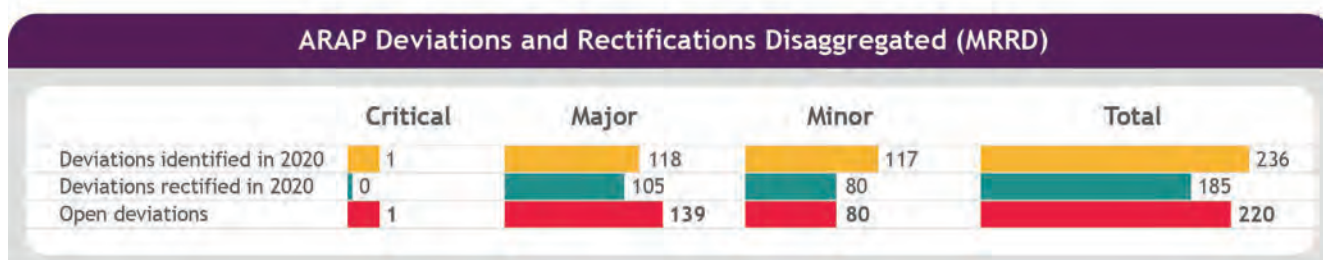
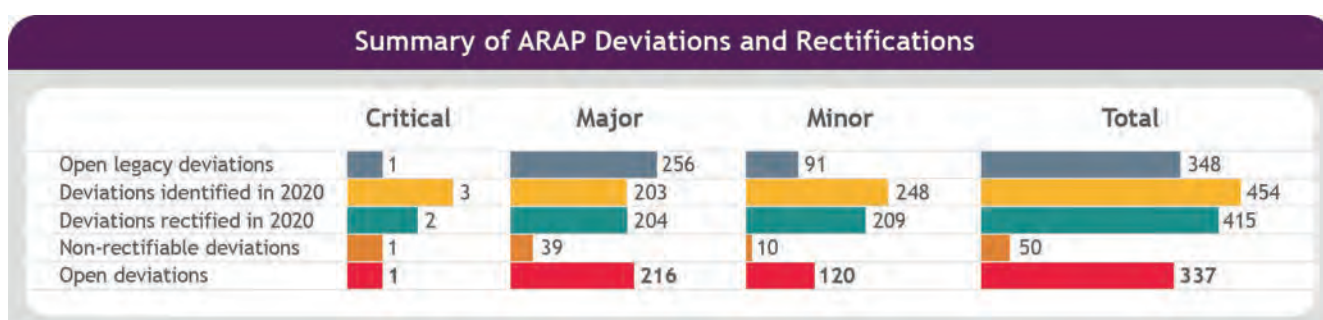
Aspect	 Design	 Materials	 Workmanship	 Project Management	 O&M	 Social Safeguards	 Environmental Safeguards
Minor	0	23	76	28	3	1	0
Major	2	18	39	17	9	0	0
Critical	1	0	0	0	1	0	0
Total	3	41	115	45	13	1	0



## Rectifications

Throughout the year, the ministries' project teams rectified 415 deviations, while 50 deviations were classified as non-rectifiable. On average, it took them 199 days to close Critical deviations, 142 days to close Major deviations and 151 days to close Minor deviations<sup>1</sup>.

The infographic<sup>2</sup> below presents information about the legacy deviations identified by the Supervisory Agent prior to January 2020, as well as the deviations TPMA engineers identified this year. It shows the number of deviations rectified this year, as well as those deemed non-rectifiable. The red horizontal bar provides the total number of deviations remaining to be rectified at the end of December 2020. It also disaggregates this information by implementing ministry, with the exception of legacy deviations because this level of disaggregation is unavailable for this category.



<sup>1</sup> These calculations are based on the date when open deviations were classified as rectified on the Digital Platform in 2020. It is possible that the actual time to rectify a deviation is shorter due to the time taken between addressing the rectification at the construction site and updating the information on the Digital Platform.

<sup>2</sup> In this infographic, the Critical bar charts are disproportionate to the others to make the much smaller numbers visible.

## Documentation

Table 2 shows the availability of different types of documents at the time of the site visits. Much of the required documentation was available for inspection.

During site visits, our engineers and social researchers seek to identify a number of documents which are meant to be available at work sites or with local communities. The documentation was available for inspection in well over half of all cases (65 percent for MoPW-managed sub-projects and 60 percent for MRRD-managed ones). This may seem relatively low, but in most cases where documents were not reported as available, respondents stated that they existed but were stored elsewhere. Moreover, ARAP finished in 2020, which could have negatively impacted project documentation availability at sites where the sub-project had already been completed, particularly for documents like the project schedule.

Table 2: Available Documentation

DOCUMENTS	DOCUMENTATION THAT IS AVAILABLE FOR:		
	MONITORED SUB-PROJECTS IMPLEMENTED BY MOPW	MONITORED SUB-PROJECTS IMPLEMENTED BY MRRD	TOTAL NUMBER OF SUB-PROJECTS MONITORED
	N=8	N=38	N=46
Bill of Quantity	6	31	37
Contract	6	31	37
Environmental and Social Management Plan	7	14	21
Technical Drawings	6	33	39
Technical Specifications	6	28	34

## Operations & Maintenance (O&M)

Maintenance was being conducted under a maintenance contract for 18 out of 25 Completed sub-projects (16 implemented by MRRD and two by the Ministry of Transport). None of these 18 sub-projects had an O&M Plan in place for after the Defect Liability Period (DLP).

## Environmental Safeguards and Social Safeguards

The information presented in the table below is based on engineers' assessments of construction and social researchers' interviews with communities. Engineers and social researchers assessed various topics including environmental impact, adherence to health and safety standards, security issues, implementing partner capacity (not all sub-projects used an implementing partner, hence the difference in observation figures compared to the other areas), community engagement, land acquisition, and the existence of a Grievance Redress Mechanism (GRM).

Findings indicate that community engagement, including engagement with women, was relatively low (women had been consulted in four out of the 46 sub-projects monitored), and a GRM had been established in less than a quarter of the sub-projects monitored. Implementing partner capacity was also low and adherence to safety standards was poor. Environmental impacts were mixed: land degradation was reported in only three of the sites monitored but trees being cut down was reported in 17 sub-projects, with more trees cut down than replanted.



Table 3: Findings related to Environmental and Social Safeguards

SUBJECT MONITORED (SOURCE)	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY MOPW	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY MRRD	TOTAL NUMBER OF APPLICABLE SUB-PROJECTS MONITORED
<b>Environment (reported by engineers and social researchers)</b>	<b>N=8</b>	<b>N=38</b>	<b>N=46</b>
Sites with land degradation and/or erosion as a result of transporting materials (reported by engineers)	1	2	3
Sites with soil pollution (reported by engineers)	0	8	8
Dust control programme in place during work (reported by engineers)	3	3	6
Increase in noise levels due to sub-project construction (reported by engineers)	0	5	5
Water Catchment Plan for road erosion prevention in place (reported by engineers)	3	10	13
Waste oil or fuel at stored at work site (reported by engineers)	0	0	0
Sand/gravel removal from riverbed without approval* (reported by engineers)	3	14	17
Projects with trees cut down** (reported by social researchers)	2	15	17
<b>Health and Safety (reported by engineers and social researchers)</b>	<b>N=8</b>	<b>N=38</b>	<b>N=46</b>
Workers provided with PPE (reported by engineers)	0	0	0
First aid kit available (reported by engineers)	0	0	0
Health or hygiene issues observed (reported by engineers)	0	0	0
Workers injured (reported by social researchers)	0	0	0
Safe access provided for vehicles and pedestrians (reported by communities)	2	0	2
<b>Security (reported by engineers)</b>	<b>N=8</b>	<b>N=38</b>	<b>N=46</b>
Security incident reporting mechanism in place	1	1	2
Security incidents at the site in the last six months	0	0	0
Security incidents affecting local community members or sub-project workers	0	0	0
Sub-project stopped due to security issue	0	0	0
<b>Implementing Partner Capacity (reported by social researchers)</b>	<b>N=3</b>	<b>N=18</b>	<b>N=21</b>
CDC/contractor engineer on site	3	12	15
CDC/contractor has the necessary construction equipment	3	12	15
Survey instruments used	0	0	0
Survey stake benchmarks and site grades clear and in place	3	15	18
Conflicts or pending complaints between the implementing partner and the community	0	1	1
Conflicts between the implementing partner and the project team	0	1	1

Table 3: Findings related to Environmental and Social Safeguards (continued)

SUBJECT MONITORED (SOURCE)	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY MOPW	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY MRRD	TOTAL NUMBER OF APPLICABLE SUB-PROJECTS MONITORED
<b>Community Engagement (reported by social researchers)</b>	<b>N=8</b>	<b>N=38</b>	<b>N=46</b>
Environmental and Social Standards training conducted for CDCs	0	10	10
Communities participated in planning and implementation	3	15	18
Women consulted during planning	0	4	4
Concerns raised by women during consultation	0	2	2
Women consulted during implementation	0	4	4
Social and gender safeguards documented	0	11	11
Safeguard focal point appointed at regional level	0	11	11
<b>Land Acquisition (reported by social researchers)</b>	<b>N=8</b>	<b>N=38</b>	<b>N=46</b>
Sub-projects requiring land beyond the existing alignment	1	5	6
	<b>N=1</b>	<b>N=5</b>	<b>N=6</b>
Sub-projects delayed by the need to acquire extra land	1	2	3
<b>Grievance Redress Mechanism (reported by social researchers)</b>	<b>N=8</b>	<b>N=38</b>	<b>N=46</b>
Grievance Redress Mechanism (GRM) established	2	9	11
	<b>N=2</b>	<b>N=9</b>	<b>N=11</b>
Grievance registration logbook/journal available	1	5	6

\* According to local CDC members, the removal of sand or gravel did not affect the morphology of the riverbed.

\*\* Community respondent data suggests that more trees were cut down than replanted

## ACHIEVEMENTS AND CHALLENGES

- Sub-project sites were generally well-supplied with necessary equipment and construction materials. Our engineers have also assessed that construction materials were appropriately stocked and protected against pilferage, mishandling, and weather.
- Much of required documentation was available for inspection and, in the opinion of our engineers, appropriately stored in most sites.
- As outlined in the former Supervisory Agent’s 2019 Annual Report, poor workmanship and project management constituted most of the identified deviations in 2020, with 48 percent and 20 percent of overall deviations respectively.
- None of the 48 monitored sub-projects are reported to have a long-term O&M Plan after the DLP expires.
- Community engagement was relatively low: fewer than half of the communities had participated in planning and implementation and women had only been consulted for four of the sub-projects monitored.
- Community responses about compliance with environmental safeguards were mostly positive. However, on average, more trees were cut down than replanted and eight out of 38 MRRD-managed sub-projects reported soil pollution.

- Our engineers found no evident hygiene or health issues at the labour campsite, and no security issues were reported as having affected the work. However, first aid kits were not available and no workers were provided with personal protective equipment (PPE). However,
- Only 24 percent of the sub-projects had a GRM to address community concerns and just over half of these had a grievance registration logbook.

## OPPORTUNITIES FOR IMPROVEMENT

Although ARAP is now closed, results from our monitoring in past year can be useful to inform recommendations for future programming. The first two recommendations align with recommendations from the Supervisory Agent's 2019 Annual Report, as they remain relevant to our current findings.

- If a road is constructed without the means to pay for maintenance, it is more likely to not function throughout the projected life of the project. An O&M Plan and funding mechanism must exist to pay for regular road maintenance so that the road can serve its intended purpose. To that end, we recommend that construction should not commence until sub-projects have an approved O&M Plan and locally established funding sources for O&M. Where construction begins without these requirements in place, it should be halted until the requirements are satisfied.
- Ministry project teams should provide greater oversight to ensure that contractors improve environmental and social safeguard record keeping. Regular updates from the Ministry project team to the World Bank task team to ensure that all contracts are maintaining records related to project-affected people, tree cutting, land acquisition, and related requirements.
- Closer supervision by project engineers is required to ensure that design and specifications are properly followed and materials of the right quality are used in the right manner.
- First aid kits, PPE and safety training for workers should be available at each construction site. If these are not built into the sub-project budget, construction is recommended not to begin until the labourers are trained in basic first aid and a kit and PPE are available.
- Finally, communities seem to prefer bringing project-related grievances to local community elders and mullahs. It may be possible to bring elders and mullahs into the GRM to facilitate their reporting and tracking of grievances, since they are the people most likely to resolve them.

# ANNEX 4: CITIZENS' CHARTER AFGHANISTAN PROJECT (CCAP)

## INTRODUCTION

The Citizens' Charter Afghanistan Project supports the Afghan government in the delivery of core infrastructure, emergency and social services in rural and urban communities through strengthened Community Development Councils (CDCs). CCAP services are delivered via locally elected CDCs, managed by the Ministry of Rural Rehabilitation and Development (MRRD) in rural areas and Independent Directorate of Local Governance (IDLG) in urban areas. The current implementation phase (2017-2021) covers 13,000 rural communities in around one-third of Afghanistan's districts in all 34 provinces, and 850 CDCs and 170 Gozars in four major cities.

### CCAP Monitoring Activities

- A financial review of sub-project expenditure.
- Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguard standards.
- In-person interviews by social researchers to check available project documentation and adherence to environmental and social safeguards.
- Telephone interviews to better understand project implementation, particularly with respect to community engagement including elements such as CDC Mobilization, CDC Elections, Community Development Plan, and CDC Management.

## FINANCIAL MONITORING

An Internal Controls Assessment (ICA) was conducted in 2019 under the previous Third-Party Monitoring Agent. A follow-up ICA is tentatively scheduled for 2022.

We completed four Statements of Expenditure (SoEs) in 2020 for both IDLG and MRRD. By the end of Q1 2021, four further SoEs had been cleared for FY 1399 (two covering for MRRD CDC Grant Lot 4 & Lot 5 and two covering MRRD Operating Expenditure).

Table 1: Statement of Expenditure Claims in 2020 (in USD)

PERIOD OF CLAIM	ENTITY	PROCUREMENT	PAYROLL	PIM <sup>1</sup> COSTS	TOTAL	ADJUSTMENT PROPOSED	ADJUSTED TOTAL
Q2 1399	IDLG	544,115	616,799	115,661	1,276,575	(483,570)	793,005
Q1&Q2 1399	MRRD Lot 1	22,884,524	-	-	22,884,524	(37,634)	22,846,890
Q3 1399	MRRD Lot 2	10,087,995	-	-	10,087,995	(9,400)	10,078,595
Q3 1399	MRRD Lot 3	11,215,724	-	-	11,215,724	(133)	11,215,591
<b>TOTAL</b>		<b>44,732,358</b>	<b>616,799</b>	<b>115,661</b>	<b>45,464,818</b>	<b>(530,737)</b>	<b>44,934,081</b>

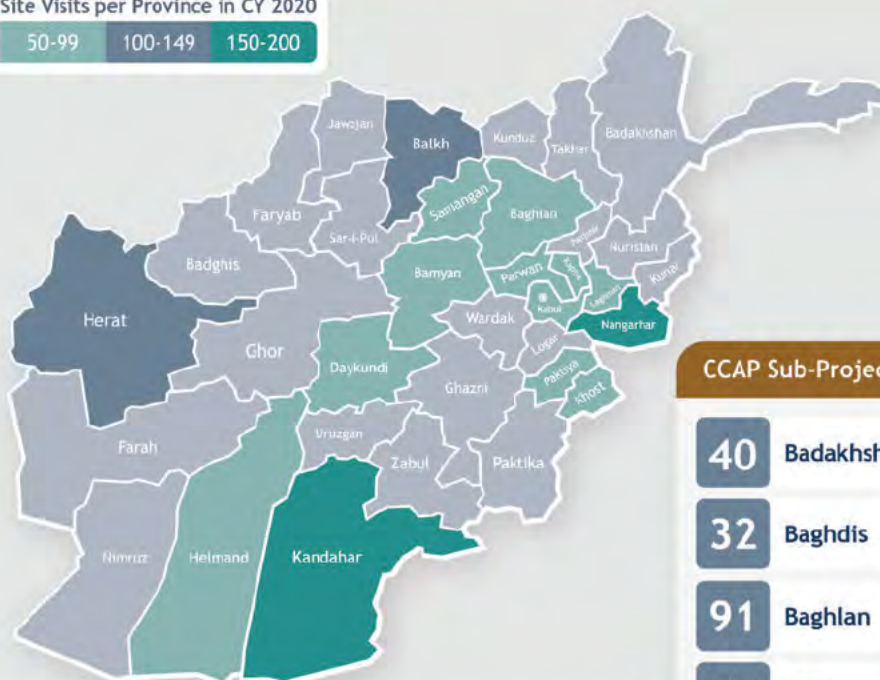
<sup>1</sup> PIM stands for Project Implementation and Management



## CCAP Monitoring in 2020

Number of Site Visits per Province in CY 2020

1-49 50-99 100-149 150-200



### CCAP Sub-Projects Visited per Province

40	Badakhshan	43	Kunar
32	Badghis	40	Kunduz
91	Baghlan	57	Laghman
114	Balkh	47	Logar
58	Bamyan	184	Nangarhar
51	Daykundi	20	Nimruz
43	Farah	3	Nuristan
37	Faryab	56	Paktiya
35	Ghazni	38	Paktika
27	Ghor	28	Panjshir
60	Helmand	55	Parwan
139	Herat	88	Samangan
41	Jawzjan	17	Sar-i-Pul
98	Kabul	31	Takhar
152	Kandahar	11	Uruzgan
62	Kapisa	42	Wardak
56	Khost	3	Zabul

### Summary of CCAP Monitoring Activities

CDCs Visited  
by Physical Monitoring Team

**1,607**

IDLG:261, MRRD:1,346

Sub-Projects Visited  
by Physical Monitoring Team

**1,899**

IDLG: 279, MRRD:1,620

CDCs Monitored  
by Financial Monitoring Team

**1,560**

IDLG:249, MRRD:1,311

Sub-Projects Monitored  
by Financial Monitoring Team

**1,825**

IDLG: 269, MRRD:1,556

#### Respondents




CDC/Community Respondents Interviewed for CCAP			Total
CDC Head	21	1,276	1,297
CDC Deputy	443	191	634
CDC Secretary	325	241	566
CDC Treasurer	29	1,012	1,041
Sub-Committee Member	262	2,038	2,300
Community Members/Non-CDC Members	1,562	4,887	6,449
<b>Total</b>	<b>2,642</b>	<b>9,645</b>	<b>12,287</b>




#### TPMA Staff Monitoring CCAP

Social Researchers:	Call Centre Agents:	Engineers:
<b>63</b>	<b>195</b>	<b>73</b>
6  57	128  67	0  73



CCAP Sub-Project Financial Review Findings

<b>37</b>  Number of sub-projects where financial progress exceeded physical progress by more than 15%	<b>43,091,149</b>  Value of payments where financial progress exceeded physical progress by more than 15%	<b>0.9 percent</b>  These payments as a percentage of all monitored contracts
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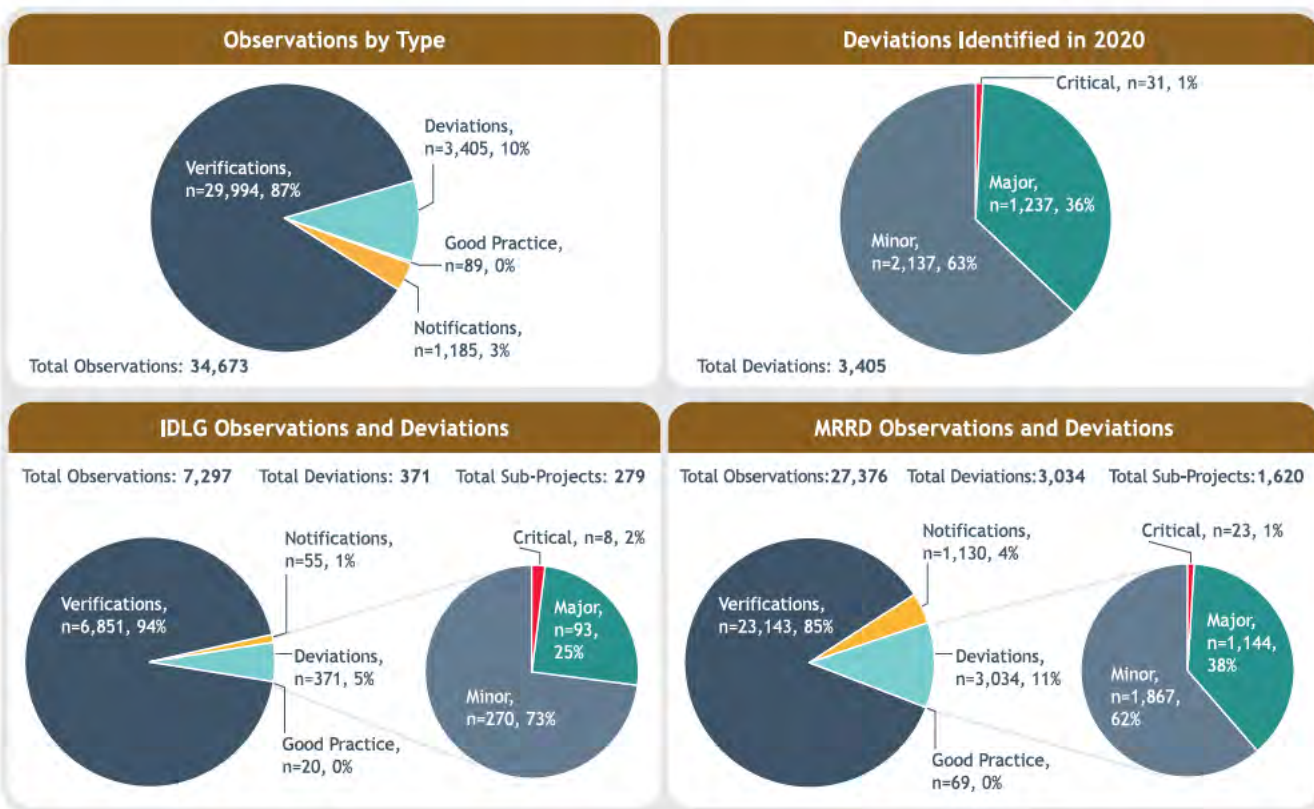
Rectifications	IDLG	MRRD	Total
 Value of Contracts Monitored (AFN)	1,280,178,924	3,453,275,711	4,733,454,635
 Estimated Cost of Rectifications this Period (AFN)	6,683,906	38,762,490	45,446,396
 Cost of Rectification as a Percentage of Monitored Contracts	0.5 percent	1.1 percent	1.0 percent

## PHYSICAL MONITORING

Almost two-thirds of sub-projects monitored in 2020 were assessed as Completed (66 percent, n=1,250). Almost all of these were assessed as Operational (94 percent, n=1,175), with the majority of the balance as Partially Operational). Delays in implementation were primarily attributed to late disbursements to CDCs. Most of the other sub-projects monitored were assessed as Ongoing (28 percent, n=527). A few were Suspended (2 percent, n=42) or had not yet started (4 percent, n=79), and one sub-project was found to have been stopped.

### Observations

Observations highlight all the data points captured by our engineers when assessing the sub-project on site. For CCAP, these include: 1) various checks of standards that we call ‘Verifications’; 2) ‘Good Practice’, which we define as additional work completed to improve the functionality of the project at no additional cost; 3) ‘Deviations’ (for example deviations from project design or social or environmental safeguards), which are classified into critical, major and minor categories as explained in Table 2 of Annex 1; and 4) ‘Notifications’, which are Minor deviations with an estimated rectification cost of USD 50 or less.



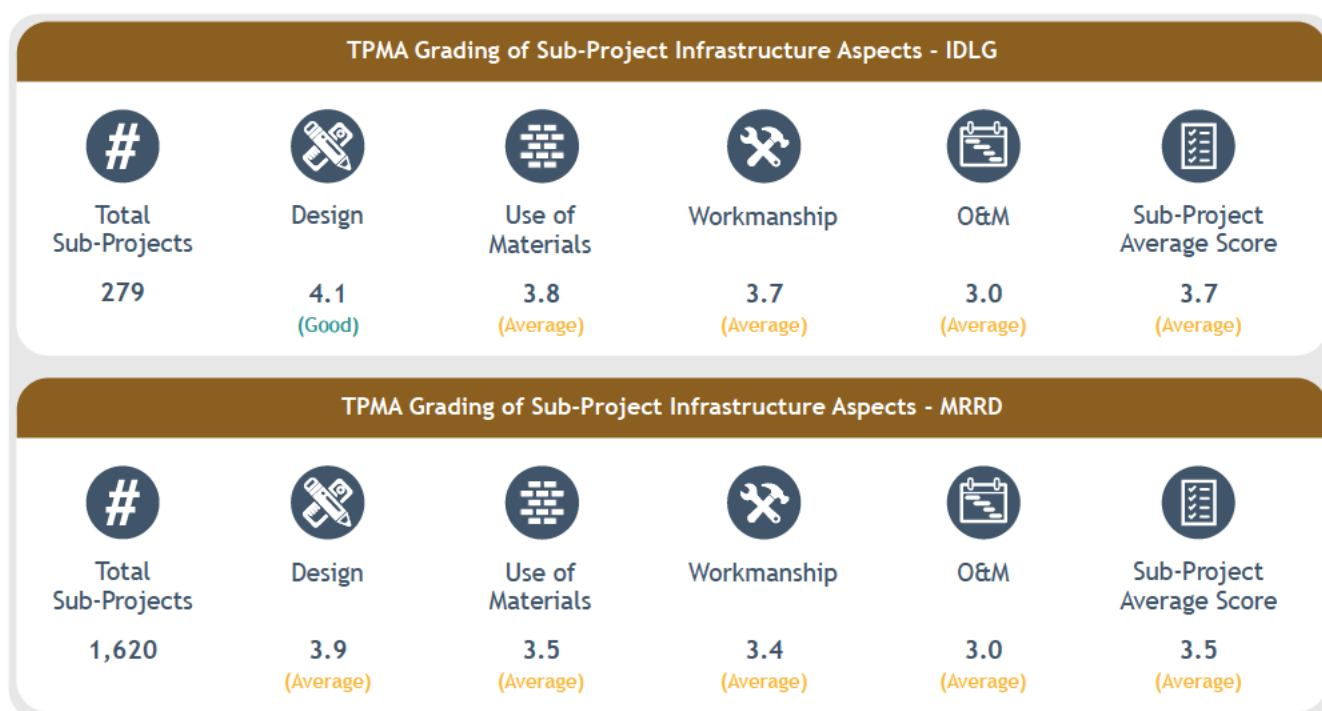
## Good Practice

In 2020, we identified 89 examples of Good Practice where sub-projects had gone beyond the stated technical requirements at no additional cost or time to the sub-project. In most cases, these examples involved adding value to the sub-project, such as by tiling stairs, adding safety features or using higher-quality materials than those specified.

Reflecting the number of sub-projects visited, around three-quarters of examples of Good Practice were found in MRRD-managed sub-projects. Reflecting the distribution of sub-project site visits, most examples were found in Nangarhar, followed by Kabul and Khost.

## Infrastructure - Aspect Scores

We graded CCAP sub-projects by the quality and applicability of design, quality of materials used and workmanship and, for completed sub-projects, the sustainability of Operations and Maintenance (O&M) Plans where they exist. These ratings ranged from 1 (low) to 5 (high). The methodology for how these ratings are provided is explained in Annex 1. Overall, IDLG-managed sub-projects tended to score more highly than MRRD-managed ones in Design, Use of Materials and Workmanship, but the average difference between the two for sub-projects monitored in 2020 was minimal.



## Deviations

During their site visits, our engineers made 34,673 observations of different aspects of infrastructure, seeking evidence of deviations from design parameters or evidence of Good Practice.






In the case of IDLG-managed sub-projects, our engineers made 7,297 observations of 279 sub-projects, including 371 deviations (5 percent of all observations), of which eight were classed as Critical (2 percent of deviations), 93 as Major (25 percent of deviations), and 270 as Minor (73 percent of deviations).








For MRRD-managed sub-projects, our engineers made 27,376 observations of 1,620 sub-projects, including 3,034 deviations (11 percent of all observations), of which 23 were classed as Critical (1 percent of deviations), 1,144 as Major (38 percent of deviations) and 1,867 as Minor (62 percent of deviations).










Sub-Projects with Deviations	IDLG	MRRD	Total
Sub-Projects	279	1,620	1,899
Sub-Projects with No Deviations	178 / 64 percent	626 / 39 percent	804 / 42 percent
Sub-Projects with Critical/Major Deviations	42 / 15 percent	575 / 35 percent	617 / 32 percent
Sub-Projects with <u>Only</u> Minor Deviations	59 / 21 percent	419 / 26 percent	478 / 25 percent

For IDLG-managed sub-projects, road improvement tasks accounted for 96 percent of deviations found because 89% of IDLG sub-projects relate to road improvements. For MRRD-managed sub-projects, potable water tasks had the highest average number of deviations per sub-project, followed by small-scale irrigation; together, these accounted for 95 percent of deviations found. The deviation figures are shown below, disaggregated by aspect and ministry.

Deviations by Aspect and Classification							
Aspect	 Design	 Materials	 Workmanship	 Project Management	 O&M	 Social Safeguards	 Environmental Safeguards
Minor	30	424	805	653	171	49	5
Major	70	214	400	291	170	62	30
Critical	6	10	5	5	3	2	0
Total	106	648	1,210	949	344	113	35

Deviations by Aspect and Classification - IDLG							
Aspect	 Design	 Materials	 Workmanship	 Project Management	 O&M	 Social Safeguards	 Environmental Safeguards
Minor	3	85	118	48	14	1	1
Major	2	22	47	17	2	1	2
Critical	1	2	2	3	0	0	0
Total	6	109	167	68	16	2	3

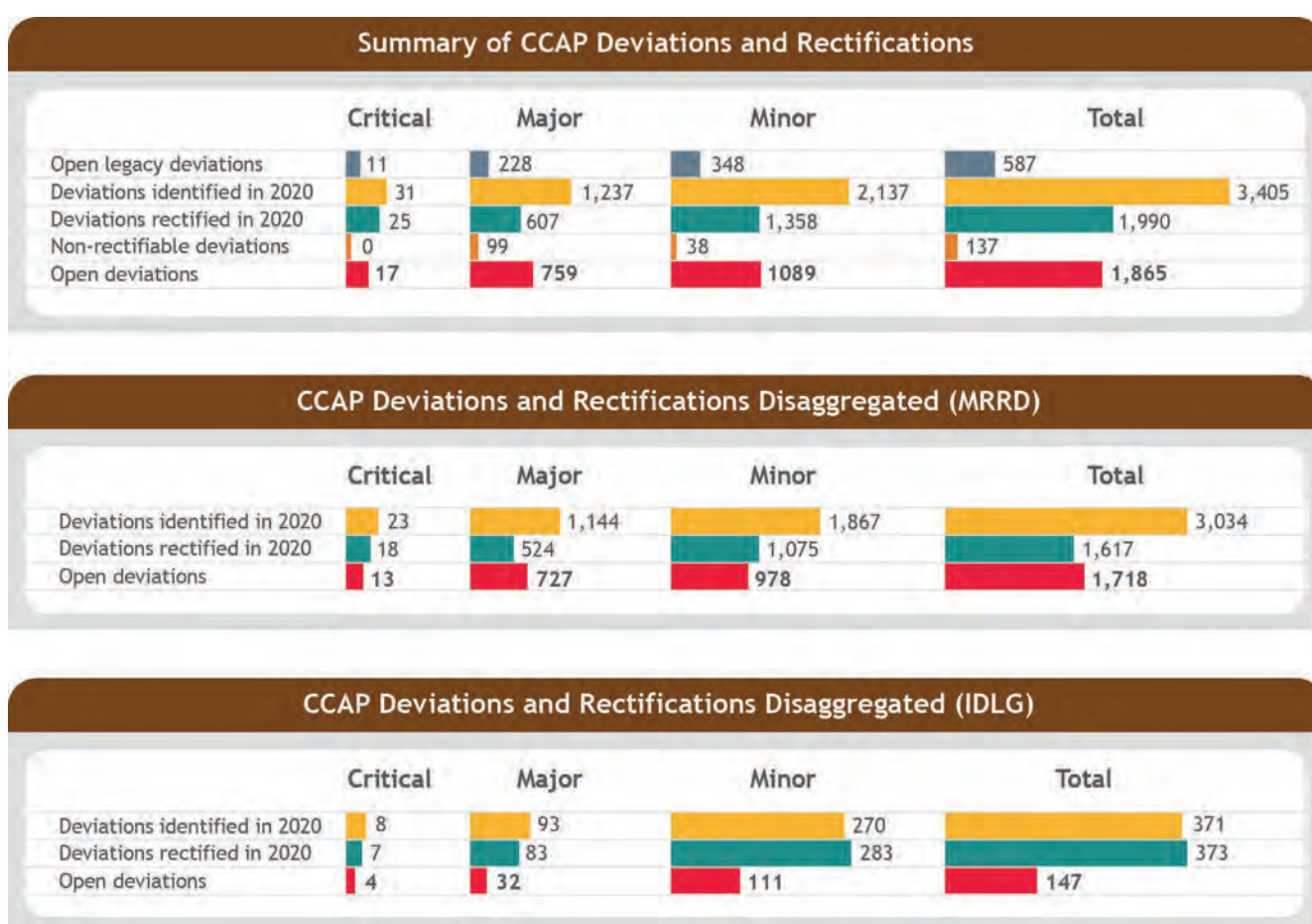
Deviations by Aspect and Classification - MRRD							
Aspect	 Design	 Materials	 Workmanship	 Project Management	 O&M	 Social Safeguards	 Environmental Safeguards
Minor	27	339	687	605	157	48	4
Major	68	192	353	274	168	61	28
Critical	5	8	3	2	3	2	0
Total	100	539	1,043	881	328	111	32



## Rectifications

Throughout the year, the ministries' project teams rectified 1,990 deviations, while 137 deviations were considered non-rectifiable. On average, it took them 150 days to close Critical deviations, 139 days to close Major deviations and 122 days to close Minor deviations<sup>3</sup>.

The infographic<sup>4</sup> below presents information about the legacy deviations identified by the Supervisory Agent prior to January 2020, as well as the deviations TPMA engineers identified this year. It shows the number of deviations rectified this year, as well as those deemed non-rectifiable. The red horizontal bar provides the total number of deviations remaining to be rectified at the end of December 2020. It also disaggregates this information by the government entity, with the exception of legacy deviations because this level of disaggregation is unavailable for that category.



## Documentation

During site visits, our engineers and social researchers seek to identify a number of documents which are meant to be available at work sites or with local communities. The documentation was available for inspection in just under two-thirds of cases (67 percent for IDLG-managed sub-projects, 64 percent for MRRD-managed ones). In most of the cases where documents were not reported as available, respondents reported that they existed but were stored elsewhere. The least available item, Document B, pertains to CDC elections held at the beginning of CCAP and thus constitutes one of the oldest documents among those listed.

<sup>3</sup> These calculations are based on the date when open deviations were classified as rectified on the Digital Platform in 2020. It is possible that the actual time to rectify a deviation is shorter due to the time taken between addressing the rectification at the construction site and updating the information on the Digital Platform.

<sup>4</sup> In this infographic, the Critical bar charts are disproportionate to the others to make the much smaller numbers visible.

It should be noted that the final column represents the average for all sub-projects, allowing for the difference in numbers between IDLG-managed and MRRD-managed sub-projects. The number of observations is different for the various sets of documents because certain documents are not mandatory for all sub-projects and are dependent on the type of activity being conducted under the sub-project.

Table 2: Available Documentation

DOCUMENTS	DOCUMENTATION THAT IS AVAILABLE FOR:		
	MONITORED SUB-PROJECTS IMPLEMENTED BY IDLG	MONITORED SUB-PROJECTS IMPLEMENTED BY MRRD	TOTAL NUMBER OF SUB-PROJECTS MONITORED
Source: engineers and social researchers	N=279	N=1,620	N=1,899
Environmental Impact Identification Checklist	29%	52%	48%
Environmental Screening Checklist	80%	73%	74%
O&M Plan	71%	56%	58%
Site Selection Criteria Checklist	82%	79%	79%
	N=127	N=611	N=738
Administrative Cost Estimate	72%	60%	62%
Bill of Quantity	80%	66%	68%
Community Contribution Plan	65%	58%	59%
Technical Survey and Design	85%	68%	71%
Time-Bound Workplan	72%	58%	60%
	N=155	N=789	N=944
Sub-Project Proposal	82%	77%	78%
CCAP Form 8	63%	50%	52%
CDC Document A	50%	64%	62%
CDC Document B	30%	16%	18%
Bank Book	39%	63%	59%
	N=61	N=494	N=555
Cash Register	75%	84%	83%
	N=46	N=414	N=460
Expense Receipts	91%	92%	92%

## Operations & Maintenance (O&M)

Of the 1,250 sub-projects assessed by our engineers as Completed (66 percent of all sub-projects monitored), 782 (63 percent) had an O&M Plan available, 483 of which (62 percent) were being implemented. Another 153 sub-projects assessed as more than three-quarters complete did not yet have O&M Plans available.

Where O&M Plans were not being implemented, the most commonly reported reason given was a lack of available funds, whether from the CDC or from community contributions.

## Environmental Safeguards and Social Safeguards

### ENVIRONMENTAL IMPACT

Our engineers found very few instances where negative effects impacted the environment as a result of the sub-project construction (1 percent of sub-projects). Where negative effects did occur, they usually related



to transporting construction materials causing land degradation or soil erosion. Information on the number of trees already cut down or planned to be cut down was often difficult to quantify accurately, and community estimates varied widely. From what could be ascertained, around 1,500 trees were estimated to have been cut down in a small number of sub-projects, with just over 2,000 replanted.

### HEALTH AND SAFETY

In relation to social safeguards, a number of concerns were found throughout the year: no sub-projects had formal mechanisms in place for recording health and safety incidents, such as workplace injuries, and almost none had first aid kits available. However, first aid training had been provided to workers at a fairly significant number of sites (more than half of IDLG-managed sub-projects and just under half of MRRD-managed ones).

Drinking water was at risk of contamination in one-fifth of sub-project sites implemented by MRRD and there was limited evidence of measures in place to mitigate natural disasters, particularly in relation to seasonal flooding or rockfall. Similarly, in one-fifth of all sub-projects and almost half of all IDLG Sub-Projects, dust generation is flagged as a community disturbance issue. Water is sprayed to limit dust generation in two-thirds of all sub-projects where dust generation is reported.

### LAND ACQUISITION

In the last quarter of 2020, in an effort to triangulate data collected through phone-based interviews with community members, engineers and social researchers began asking specific questions around land acquisition documentation and the existence of a Resettlement Action Plan. The former is required when land is acquired, and the latter must be drawn up when people have to move from their land following land acquisition. Land acquisition documentation was found to be available in just over one-third of all sub-projects where land had been acquired. Documentation was more frequently lacking for IDLG-managed sub-projects. In the last quarter of 2020, social researchers also started asking if women had been consulted during the sub-project implementation phase. Social researchers reported this to be the case for 38 percent of all sub-projects.

Please see Table 3 for more details.

Table 3: Findings related to Environmental and Social Safeguards

SUBJECT MONITORED (SOURCE)	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY IDLG	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY MRRD	TOTAL NUMBER OF APPLICABLE MONITORED SUB-PROJECTS
<b>Environment (Engineers)</b>	<b>N=247</b>	<b>N=1,572</b>	<b>N=1,819</b>
Potential negative environmental impacts identified	0%	1%	1%
Disposal of waste material discussed with community	86%	68%	71%
Land degradation due to transportation of construction materials	18%	12%	13%
Soil erosion due to transportation of construction materials	30%	13%	15%
Sub-projects where trees were cut down	2%	3%	3%
	<b>N=5</b>	<b>N=49</b>	<b>N=54</b>
If trees were cut down for the sub-project, new trees were planted	40%	59%	57%
	<b>N=101</b>	<b>N=483</b>	<b>N=584</b>
Sub-project required a quarry	1%	1%	1%

Table 3: Findings related to Environmental and Social Safeguards (continued)

SUBJECT MONITORED (SOURCE)	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY IDLG	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY MRRD	TOTAL NUMBER OF APPLICABLE MONITORED SUB-PROJECTS
<b>Health and Safety (Engineers - only for sub-projects that were assessed as Ongoing during monitoring)</b>	<b>N=101</b>	<b>N=483</b>	<b>N=583</b>
Landmines present within 1km of the construction site	0%	6%	5%
Systems in place for tracking safety incidents	0%	0%	0%
Life safety issues observed at the site	1%	1%	1%
Community disturbed by construction noise	12%	4%	6%
Dust created by construction activity	45%	16%	21%
	<b>N=45</b>	<b>N=78</b>	<b>N=123</b>
If dust is created by construction activities, water is sprayed on the ground to limit the dust	89%	54%	67%
	<b>N=75</b>	<b>N=298</b>	<b>N=373</b>
Drinking water at risk of contamination by sub-project construction	3%	21%	17%
	<b>N=61</b>	<b>N=451</b>	<b>N=512</b>
First aid kit available at the site	0%	1%	1%
	<b>N=247</b>	<b>N=1,572</b>	<b>N=1,81</b>
Environment Health and Safety and First Aid training provided to workers	57%	41%	43%
<b>Land Acquisition (Engineers, Q4 2020 only)</b>	<b>N=66</b>	<b>N=142</b>	<b>N=208</b>
Land acquisition documentation available (only if land acquired)	2%	49%	34%
<b>Land Acquisition (Social Researchers, Q4 2020 only)</b>	<b>N=66</b>	<b>N=142</b>	<b>N=208</b>
People required to leave their homes or land	3%	0%	1%
Community has a Resettlement Action Plan	6%	20%	16%
<b>Gender (Social Researchers, Q4 2020 only)</b>	<b>N=66</b>	<b>N=142</b>	<b>N=208</b>
Women were consulted on the sub-project during implementation	38%	39%	38%

For CCAP, our engineers also monitor implementation related to Maintenance Cash and Construction Grants (MCCGs) and Social Inclusion Grants (SIGs). These findings are highlighted separately in Table 4 because this information is only applicable for communities in rural areas related to MRRD-managed sub-projects.

Table 4: Findings related to MCCGs/SIGs, as reported by engineers

VARIABLE OF INTEREST	NUMBER OF SUB-PROJECTS	% OF SUB-PROJECTS	TOTAL NUMBER
Community received MCCG/SIG	120	7%	N/A
List of MCCG/SIG recipients is available	73	61%	N/A
Wages were paid and verified with direct beneficiaries through direct contact	60	50%	N/A
List of MSSG/SIG recipients has been checked against the Well-Being Analysis to see if recipients fall within the poor or very poor categories	92	77%	N/A
Number of households in communities that received MCCG/SIG	N/A	N/A	23,138



Table 4: Findings related to MCCGs/SIGs, as reported by engineers (continued)

VARIABLE OF INTEREST	NUMBER OF SUB-PROJECTS	% OF SUB-PROJECTS	TOTAL NUMBER
Number of households participating in labour created by MCCG/SIG	N/A	N/A	9,050
Number of men participating in labour created by MCCG/SIG	N/A	N/A	14,864
Number of women participating in labour created by MCCG/SIG	N/A	N/A	150
A food bank is present in the community	52	43%	N/A
There is a logbook for receipt and distribution at the food bank	30	57%	N/A

As noted, for CCAP, we monitor a relatively large number of variables related to community engagement. This information is collected through phone-based interviews and is reported separately in Tables 5-13.

Importantly, in Table 3 the ‘N’ represents the number of sub-projects but in Tables 5-13 it stands for the number of interviewees. Responses from interviewees have been disaggregated by both ministry and gender.

According to just under half of respondents (49 percent, n=2,908), land had to be acquired. Land mostly appears to have been donated in the case of MRRD-managed sub-projects, while for IDLG sub-projects the land acquired was public land. This helps to explain the much smaller amount of land acquisition documentation found by engineers for IDLG-managed sub-projects compared to MRRD-managed sub-projects.

Table 5: Findings related to Land Acquisition, as reported by phone respondents

	IDLG		MRRD		MEN		WOMEN		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Land acquired for sub-project	348	35%	2,560	51%	2,469	51%	439	39%	2,908	48%
Land acquired was donated by the owner	134	23%	1,434	45%	1,349	45%	219	30%	1,568	42%
Land acquired was purchased by the owner	58	10%	305	10%	297	10%	66	9%	363	10%
Land acquired was public land	200	34%	945	30%	960	32%	185	25%	1,145	30%

### GRIEVANCE MANAGEMENT

More than half of the respondents (61 percent, n=6,948) confirmed the establishment of a Community Participatory Monitoring (CPM) or a Grievance Handling Mechanism (GHM). Men (64 percent, n=5,815) were significantly more likely to confirm this than women (49 percent, n=1,133), suggesting unequal awareness and potential access to GRMs. The latter might be related to the fact that only two-thirds of respondents (67 percent, n=4,574) reported that the CPM Committee had female members.

The most commonly cited method for reporting grievances was in writing to the Grievance Handling Committee (60 percent, n=3,895), which was twice the number of people reporting grievances by mobile phone (30 percent, n=1,738). This finding may seem surprising, and we believe that respondents could have confused these two responses, thinking for example that the category of submitting complaints in writing included text messages as well as posting written grievances into a complaints box. The closed answers to this question will be improved in 2021 to prevent similar mistakes.

With regard to the subject of grievances, the highest number of grievances was in the ‘Other’ category (35 percent, n=1,238). These grievances concerned various issues that were not all related to the sub-project, including matters such as sub-project construction and implementation, ineffective CDC or CPM/GHM, lack of inclusion on sub-projects, security threats and/or demands for money by the Taliban, and general complaints about poverty, lack of employment, and basic facilities and services in the communities. Besides ‘Other’, the most common grievances related to fraud (18 percent, n=648) and corruption (16 percent, n=565).

Table 6: Findings related to Grievance Management, as reported by phone respondents

	IDLG		MRRD		MEN		WOMEN		TOTAL	
	N	%	N	%	N	%	N	%	N	%
CPM/GHM has been established	1,075	63%	5,873	60%	5,815	64%	1,133	49%	6,948	61%
CPM/GHM Committee has female members	708	66%	3,866	67%	3,793	66%	781	69%	4,574	67%
There is a designated GRM focal point	767	71%	4,022	70%	4,031	71%	758	67%	4,789	70%
Grievances have been reported in the community	280	26%	1,530	27%	1,559	27%	251	22%	1,810	26%
Grievances could be submitted over the phone	311	38%	1,427	29%	1,467	30%	271	31%	1,738	30%
Grievances could be submitted in writing to the CPM/GHM	609	60%	3,286	60%	3,308	60%	587	56%	3,895	60%
Grievances could be submitted by speaking to a member of the CPM/GHM	534	57%	2,946	55%	2,942	55%	538	54%	3,480	55%
Grievances could be submitted by email	14	2%	119	2%	117	2%	16	2%	133	2%
Grievances could be submitted through other methods such as a complaints box	50	8%	377	8%	366	8%	61	9%	427	8%
Grievances were related to corruption	84	16%	481	16%	499	16%	66	16%	565	16%
Grievances were related to theft	73	14%	299	10%	322	10%	50	12%	372	10%
Grievances were related to fraud	80	16%	568	18%	578	18%	70	17%	648	18%
Grievances were related to CDC mobilization	21	4%	206	7%	199	6%	28	7%	227	6%
Grievances were related to staff privileges	40	8%	304	10%	309	10%	35	8%	344	10%
Grievances were related to land acquisition	26	5%	162	5%	170	5%	18	4%	188	5%
Grievances were related to other issues	187	37%	1,051	34%	1,081	34%	157	37%	1,238	35%

### COMMUNITY MOBILIZATION

Five community mobilization activities were implemented under CCAP. These were not, however, all implemented to a similar extent: according to 67 percent of the respondents, the Resource Mapping exercise and the Well-Being Analysis had been conducted, but only 48 percent of respondents said that this was the case for the Seasonal Calendar and the Women’s Mobility Mapping exercise. On average, 80 percent of respondents stated that the activities had benefited their community, with the Well-Being Analysis being a somewhat negative outlier at 62 percent (n = 6,043). The share of men reporting that an activity had taken place was higher than that of women for all activities except the Women’s Mobility Mapping exercise. Similarly, the share of men reporting that activity had benefited the community was higher than that of women for all activities except the Women’s Mobility Mapping exercise, although the differences are small.



Table 7: Findings related to Community Mobilization, as reported by phone respondents

	IDLG		MRRD		MEN		WOMEN		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Resource Mapping has been conducted	1,035	69%	6,156	67%	6,031	69%	1,160	58%	7,191	67%
Resource Mapping provided benefits to the community	924	89%	5,212	85%	5,178	86%	958	83%	6,136	85%
Seasonal Calendar was conducted	898	50%	4,783	48%	4,665	50%	1,016	43%	5,681	48%
Seasonal Calendar provided benefits to the community	611	85%	3,565	82%	3,521	83%	655	81%	4,176	82%
Well-Being Analysis has been conducted	1,223	73%	6,598	67%	6,507	69%	1,314	59%	7,821	67%
Well-Being Analysis provided benefits to the community	934	65%	5,109	62%	5,072	62%	971	61%	6,043	62%
Leaking Pot exercise was conducted	1,124	63%	5,775	58%	5,573	59%	1,326	56%	6,899	59%
Leaking Pot exercise provided benefits to the community	828	91%	4,499	85%	4,383	86%	944	86%	5,327	86%
Women's Mobility Mapping was conducted	984	55%	4,599	46%	4,453	47%	1,130	48%	5,583	48%
Women's Mobility Mapping provided benefits to the community	663	81%	3,182	76%	3,074	75%	771	83%	3,845	77%

### CDC ELECTIONS

Respondents estimated that 74 percent of all eligible voters (male and female) participated in the CDC elections, and 53 percent of all eligible female voters. In addition, 80 percent of respondents stated that people living with disabilities participated in the CDC elections.

Table 8: Findings related to CDC Elections, as reported by phone respondents

	IDLG		MRRD		MEN		WOMEN		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Estimated percentage of eligible voters (male and female) that participated in the CDC elections	n/a	73%	n/a	74%	n/a	75%	n/a	70%	n/a	74%
Estimated percentage of eligible female voters that participated in the CDC elections	n/a	50%	n/a	54%	n/a	53%	n/a	53%	n/a	53%
People living with disabilities participated in the CDC elections	1,365	76%	8,165	81%	7,922	83%	1,608	68%	9,530	80%
Challenges were encountered for eligible male or female community members to participate in the CDC elections	108	7%	636	7%	649	7%	95	5%	744	7%

### COMMUNITY DEVELOPMENT PLAN

For most sub-projects, respondents confirmed that a participatory community analysis had taken place (83 percent, n=4,635) and key priorities for the community had been formulated (82 percent, n= 4,253). More than half of all respondents (61 percent, n= 6,875) stated that projects identified by women were included in the Community Development Plan (CDP). In addition, 82 percent of respondents reported that women had been consulted on the CDP. This was 86 percent for men, 96 percent for elders and 82 percent for youth.



Table 9: Findings related to the Community Development Plan, as reported by phone respondents

	IDLG		MRRD		MEN		WOMEN		TOTAL	
	N	%	N	%	N	%	N	%	N	%
The CDC conducted a participatory community analysis	728	83%	3,907	83%	3,811	84%	824	82%	4,635	83%
The CDC conducted a process to define 5-10 key community priorities and checked how these related to the CCAP minimum standards	732	83%	3,791	81%	3,735	82%	788	78%	4,523	82%
Projects identified by women were included in the CDP	1,210	72%	5,665	59%	5,619	62%	1,256	56%	6,875	61%
Elders were consulted on the CDP	754	94%	3,605	96%	3,592	97%	767	90%	4,359	96%
Male community members were consulted on the CDP	720	90%	3,171	85%	3,212	87%	679	81%	3,891	86%
Female community members were consulted on the CDP	683	87%	2,991	81%	2,951	81%	723	86%	3,674	82%
Youth were consulted on the CDP	543	91%	2,595	80%	2,658	82%	480	83%	3,138	82%
People living with disabilities were consulted on the CDP	484	82%	2,241	70%	2,309	72%	416	73%	2,725	72%
IDPs, where present, were consulted on the CDP	465	80%	1,938	61%	2,041	64%	362	64%	2,403	64%
Returnees, where present, were consulted on the CDP	422	74%	1,789	57%	1,872	59%	339	61%	2,211	60%

### CDC MANAGEMENT

More than two-thirds of all CDC Office bearers or Sub-Committee members reported that their CDC had female members (69 percent, n= 4,020). There were no major differences between the responses of IDLG-managed sub-projects and MRRD-managed sub-projects, or between male- or female CDC office-bearers or Sub-Committee members. However, with respect to training, 71 percent (n=769) of female CDC office-bearers or Sub-Committee members reported receiving training, compared to 81 percent of their male counterparts (n=3,967).

Table 10: Findings related to the CDC Management, as reported by phone respondents that were CDC office-bearers or sub-committee members

	IDLG		MRRD		MEN		WOMEN		TOTAL	
	N	%	N	%	N	%	N	%	N	%
The CDC/Gozar has female members	1,085	61%	5,968	59%	5,788	61%	1,265	53%	7,053	59%
CDC office-bearers and Sub-Committee members have received training	1,282	72%	6,804	67%	6,839	72%	1,247	53%	8,086	68%
CDCs met at least once a month	601	86%	3,299	80%	3,300	81%	600	80%	3,900	81%
Community selected an Environmental and Social Standards focal point	565	57%	3,261	66%	3,279	68%	547	49%	3,826	64%

### SUB-COMMITTEES

Relatively large differences in responses by gender were also found when analysing findings related to Sub-Committees: 55 percent of women (n=1,442) reported that Sub-Committees had been established compared to 73 percent of men (n=7,061). As with the CPM/GHM, these findings suggest unequal awareness and



potential access to Sub-Committees for women. Of all the CDC office-bearers and Sub-Committee members reporting that Sub-Committees had been formed, 80 percent (n=6,805) said that the Facilitating Partner had met with the CDC to explain the roles and responsibilities of Sub-Committees. Similarly, 73 percent (n=6,163) said that the roles and responsibilities of Sub-Committees were clear to them. There was little difference between the various Sub-Committees in terms of respondents reporting if they were established and how often they met, but a larger share of MRRD respondents (65 percent) than IDLG respondents (58 percent) stated that an Agricultural Sub-Committee had been established, which makes sense given that MRRD-managed projects are located in rural areas and IDLG-managed ones are in urban areas.

Table 11: Findings related to the Sub-Committees, as reported by phone respondents

	IDLG		MRRD		MEN		WOMEN		TOTAL	
	N	%	N	%	N	%	N	%	N	%
Sub-Committees have been established	1,301	70%	7,202	69%	7,061	73%	1,442	55%	8,503	69%
Facilitating partners have met with community to explain roles and responsibilities of Sub-Committees	1,054	81%	5,751	80%	5,699	81%	1,106	76%	6,805	80%
Roles and responsibilities of Sub-Committees are clear	1,019	78%	5,144	72%	5,188	74%	975	67%	6,163	73%
Agriculture Sub-Committee was established	1,092	58%	6,801	65%	6,606	69%	1,287	49%	7,893	64%
Agriculture Sub-Committee met at least once a month	694	59%	4,203	61%	4,148	62%	749	55%	4,897	61%
Education Sub-Committee was established	1,226	66%	6,889	66%	6,760	70%	1,355	52%	8,115	66%
Education Sub-Committee met at least once a month	809	65%	4,442	64%	4,438	65%	813	58%	5,251	64%
Environment Sub-Committee was established	1,213	65%	6,747	65%	6,626	69%	1,334	51%	7,960	65%
Environment Sub-Committee met at least once a month	774	62%	4,322	63%	4,302	64%	794	57%	5,096	63%
Health Sub-Committee was established	1,224	65%	6,832	66%	6,699	70%	1,357	52%	8,056	66%
Health Sub-Committee met at least once a month	808	64%	4,492	65%	4,453	66%	847	60%	5,300	65%
Vulnerability and Disaster Management Sub-Committee was established	1,038	56%	6,210	60%	6,036	63%	1,212	46%	7,248	59%
Vulnerability and Disaster Management Sub-Committee met at least once a month	661	58%	3,982	62%	3,924	63%	719	54%	4,643	62%
Youth Sub-Committee was established	1,188	64%	6,650	64%	6,558	68%	1,280	49%	7,838	64%
Youth Sub-Committee met at least once a month	787	63%	4,346	64%	4,350	66%	783	57%	5,133	64%

## VULNERABLE PEOPLE

Almost three-quarters of respondents (74 percent, n=8,305) reported that they were aware of Internally Displaced Persons (IDPs) living in their communities and 60 percent (n=5,214) of these respondents stated that IDPs were represented in their CDC. For returnees, well over half of the respondents (55 percent, n=6,166) reported that they were aware of returnees in their communities and 58 percent (n=3,779) of these respondents stated that returnees were represented in the CDC.

Table 12: Findings related to Vulnerable People, as reported by phone respondents

	IDLG		MRRD		MEN		WOMEN		TOTAL	
	N	%	N	%	N	%	N	%	N	%
IDPs live in the community	1,339	82%	6,966	73%	6,844	76%	1,461	68%	8,305	74%
If IDPs live in the community, are any IDPs part of the CDC or Gozar?	1,001	70%	4,213	58%	4,321	60%	893	56%	5,214	60%
Returnees live in the community	1,042	64%	5,124	54%	5,173	57%	993	46%	6,166	55%
If returnees live in the community, are any IDPs part of the CDC or Gozar?	757	67%	3,022	56%	3,153	58%	626	58%	3,779	58%

## ACHIEVEMENTS AND CHALLENGES

- Almost all of the completed CCAP sub-projects monitored were operational even if they had been completed a relatively long time ago. This may be related to the fact that the majority (63 percent, n=782) of completed sub-projects had an O&M Plan available.
- A large proportion of the sub-projects (42 percent) did not have any deviations, a trend that has improved throughout the 2020 reporting period. We found Critical, Major, or a mix of Major and Minor deviations in only one third of the projects we visited.
- On the whole, sub-projects have been implemented without negative environmental impact. Engineers reported negative environmental impacts were reported at only 1% of the sites they visited.
- Community engagement was found to be high across a range of areas. For example, 81 percent of community respondents reported CDCs met at least once a month and almost two-thirds did so on average for the different sub-committees that had been established.
- The community participatory activities have been well-received by community members--the Resource Mapping, Seasonal Calendar, and the Leaking Pot in particular. More than 80% of community respondents reported that these three activities benefitted their community.
- The majority of the respondents (61 percent), n=6,948 reported that a Community Participatory Monitoring (CPM) or a Grievance Handling Mechanism (GHM) has been established for their community. However, for the latter men were significantly more likely to confirm this than women, suggesting unequal awareness and potential access to GRMs. The latter might be related to the fact that only two-thirds of respondents reported that the CPM Committee had female members.
- The project is actively seeking to engage women as much as possible in project planning; for example, 69 percent of respondents said their CDC had at least one female member, 82 percent of respondents said that female community members were consulted in the development of the Community Development Plan. However, things appear slightly different where it concerns implementation: our social researchers reported that for the last quarter of 2020 women had been consulted during project implementation in only 38 percent of all sub-projects. In this context, ensuring equal representation and/or engagement by women remains challenging in some areas, especially for CDC elections and Sub-Committee membership. This is often the result of a combination of security challenges and cultural norms.



- The quality of local sub-project management and oversight, including by government staff, has not always been good, and contributes to the use of poor materials and poor-quality workmanship, and therefore to the overall number of deviations found. A similar statement can be made regarding the application of environmental and social safeguards, including in relation to basic elements such as providing health and safety incident logbooks, providing first aid kits and ensuring that dust control measures are in place.
- In almost one-fifth of sub-projects where a drinking water source was nearby the sub-project construction site, engineers stated that the water was at risk of contamination. The type of sub-projects for which this was found were not limited to sub-projects focused on providing potable water but they did account for the majority of cases reported.
- The majority of the sub-projects (87 percent, n=1,645) had been delayed at some point during their implementation. The communities attributed the main reason for delays to late payment disbursement from the project.
- Most of the relevant project documentation was found to be available except for land acquisition documentation, regardless of whether land has been acquired by donation, purchase or transfer from the government.

## OPPORTUNITIES FOR IMPROVEMENT

- Explore options for increasing regular and documented project oversight during sub-project construction, including on materials used and workmanship.
- Ensure closer scrutiny by engineers in the design phase to minimise the risk of contaminating nearby drinking water during sub-project construction.
- IDLG and MRRD should provide central guidance and support to communities to help reduce delays in tranche payments processing where issues arise from the quality or sufficiency of community-supplied documentation.
- First aid training, together with the provision of an appropriate first aid kit, and ESS and safety training, along with availability of an incident reporting logbook (and responsible owner), should take place at the outset of sub-project implementation and be monitored by project staff throughout construction.
- Given their position in the local community, elders or mullahs should be incorporated into the GRM process if they are not yet actively involved. Additionally, ways to ensure female representation should be explored for communities where women are not currently members of the CPM/GHM to make it easier for women to submit complaints.
- CCAP activities like the Women's Mobility Mapping cultivate women's consultation in the sub-project design phase, with their involvement declining during implementation. Consideration should be given to introducing specific activities that facilitate their participation and ownership throughout the sub-project life cycle. Ensuring the availability of a meeting place for women is crucial to the success of these activities.



# ANNEX 5: CITIES INVESTMENT PROGRAMME (CIP)

## INTRODUCTION

This annex provides the main findings from financial and physical monitoring of the Cities Investment Programme (CIP) in 2020, which is implemented by the Independent Directorate of Local Governance (IDLG). This project invests in the development of five cities: Jalalabad, Khost, Kandahar, Herat and Mazar-e-Sharif. The project seeks to improve sustainability and liveability by promoting the cities' economic growth through fostering urban economies and improving people's livelihood.

In 2020, we only conducted one round of monitoring for CIP (in November). Hence, why only 8 sub-projects were visited and why the findings in this annex may not necessarily be representative for the project as a whole.

## FINANCIAL MONITORING

An Internal Controls Assessment is planned for July 2021 and two Statements of Expenditure were completed in 2020 for IDLG.

### CIP Monitoring Activities

- A financial review of sub-project expenditures.
- Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguard standards.
- In-person interviews by social researchers to check available project documentation and adherence to environmental and social safeguards.

Table 1: Statement of Expenditure Claims in 2020 (in USD)

PERIOD OF CLAIM	ENTITY	PROCUREMENT	PAYROLL	PIM <sup>1</sup> COSTS	TOTAL	ADJUSTMENT PROPOSED	ADJUSTED TOTAL
Q1 1399	IDLG	-	41,999	5,715	47,714	(5,715)	41,999
Q2&3 1399	IDLG	235,566	163,718	60,488	459,772	(202,164)	257,608
<b>TOTAL</b>		<b>235,566</b>	<b>205,717</b>	<b>66,203</b>	<b>507,486</b>	<b>(207,879)</b>	<b>299,607</b>

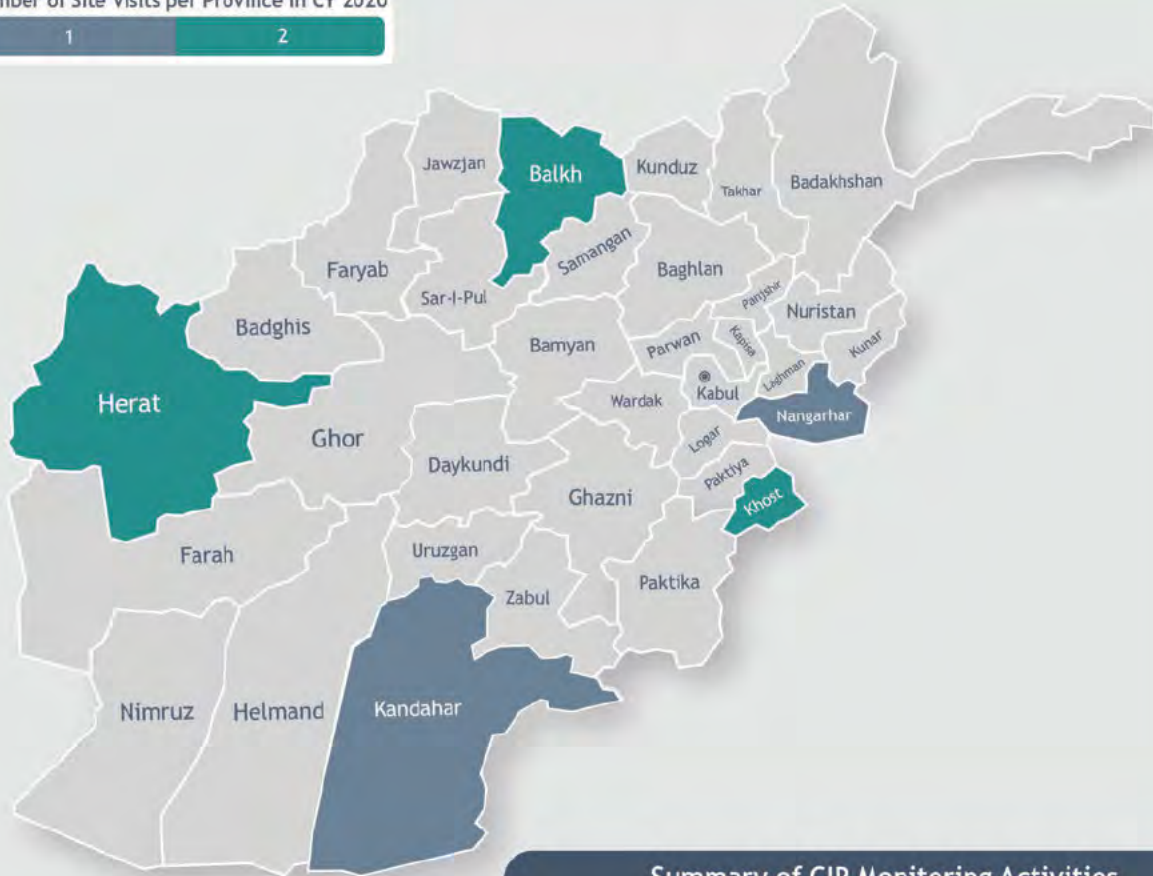
<sup>1</sup> PIM stands for Project Implementation and Management

Financial Review	Total
 Value of Contracts Monitored (AFN)	242,603,636
 Estimated Cost of Rectifications	146,100
 Cost of Rectification as a Percentage of Monitored Contracts	0.1 percent

Please note that there were no sub-projects found where financial progress exceeded physical progress by more than 15 percent.

## CIP MONITORING IN 2020

Number of Site Visits per Province in CY 2020



CIP Sub-Projects Visited per Province

2	Balkh	2	Khost
2	Herat	1	Nangarhar
1	Kandahar		

### Summary of CIP Monitoring Activities

No. of CDCs and Sub-Projects Visited by Physical Monitoring Team

8

No. of CDCs and Sub-Projects Monitored by the Financial Team

8

#### Respondents

Community Respondents Interviewed for CIP



PIU

0

8

Labourers

0

8

Contractors

0

9

Shopkeepers

0

8

Engineer Observation

0

8

Community Respondents

0

7

Total

0

48

#### TPMA Staff Monitoring CIP

Social Researchers: 5



0



10

Engineers: 5

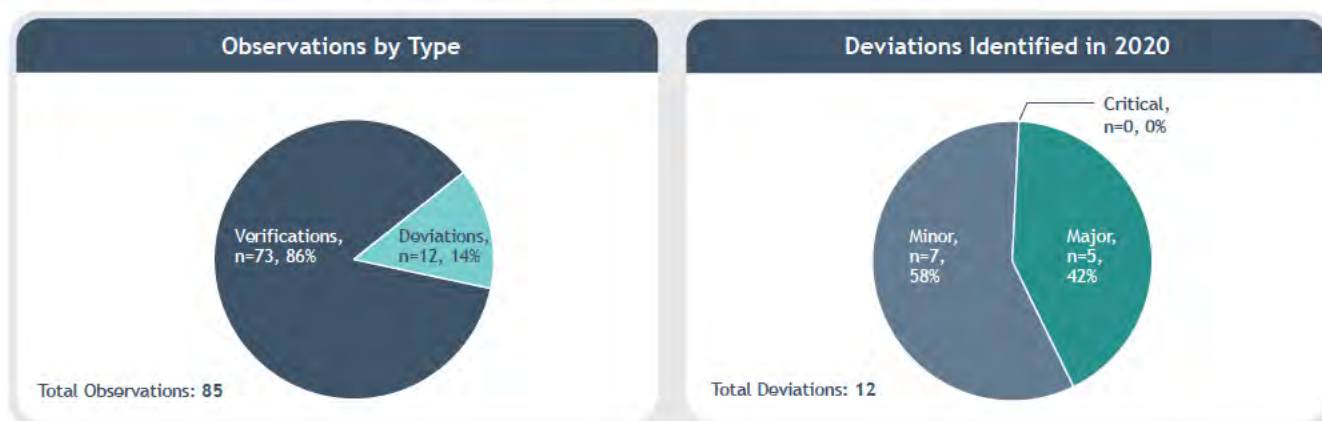


## PHYSICAL MONITORING

Our engineers visited eight CIP sub-projects in five provinces (Balkh, Herat, Kandahar, Khost and Nangarhar). All the monitored sub-projects were assessed as Under Construction. None of the sub-projects were delayed or suspended.

### Observations

‘Observations’ consist of all the data points captured by our engineers when assessing the sub-project on site. These include: 1) various checks of standards that we call ‘Verifications’; 2) ‘Good Practice’, which we define as additional work completed to improve the functionality of the project at no additional cost; and 3) ‘Deviations’ (for example deviations from project design or social and environmental safeguards), which are classified into critical, major and minor categories as explained in Table 2 of Annex 1.

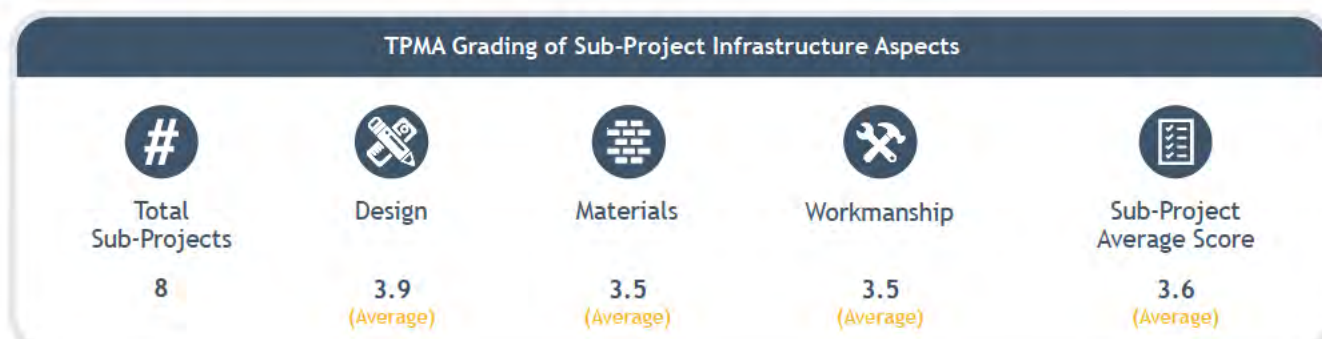


### Good Practice

Our engineers did not identify any examples of Good Practice during the reporting period, which may seem odd given the relatively good project rating, but this is due to the fact that there were considerably fewer sub-project visits compared to some of the other projects discussed in this report.

### Infrastructure - Aspect Scores

We graded sub-projects by the quality and applicability of design, quality of materials used and workmanship. These ratings ranged from 1 (Low) to 5 (High). The methodology for calculating these ratings is explained in Annex 1. For CIP, Design tended to receive slightly higher marks than both Use of Materials and Workmanship, although all three categories were in the Average range.





## Deviations

Our engineers reported 12 deviations in total, with five assessed as Major and seven as Minor. Half of the deviations were attributed to not following design specifications, while other probable causes included poor supervision and workmanship.

Sub-Projects with Deviations	Total
Sub-Projects	8
Sub-Projects with No Deviations	1 / 13 Percent
Sub-Projects with Critical and/or Major Deviations	3 / 38 Percent
Sub-Projects with <u>Only</u> Minor Deviations	4 / 50 percent

Deviations by Aspect and Classification				
Aspect	 Design	 Materials	 Workmanship	 Project Management
Minor	4	0	1	2
Major	0	1	1	3
Total	4	1	2	5

## Rectifications

The infographic below presents information about the deviations TPMA engineers identified this year. We conducted our first round of monitoring for the CIP project in November 2020, so there was no time for IDLG to follow-up on rectifications before the end of the year. In contrast to the other projects monitored, there were no legacy deviations from 2019 because the previous Supervisory Agent did not monitor CIP.

Summary of CIP Deviations and Rectifications				
	Critical	Major	Minor	Total
Deviations identified in 2020	0	5	7	12
Deviations rectified in 2020	0	0	0	0
Non-rectifiable deviations	0	0	0	0
Open deviations	0	5	7	12

## Documentation

During site visits, our engineers and social researchers seek to identify a number of documents which are meant to be available at work sites or with local communities. Much of the required documentation was available for inspection. In most of the cases where documents were not reported as available, respondents stated that they existed but were stored elsewhere.

Table 2: Available Documentation

DOCUMENTS	DOCUMENTATION THAT IS AVAILABLE FOR:
	MONITORED SUB-PROJECTS
	N=8
Bill of Quantity	7
Design Drawings	8
Environmental and Social Management Plan	5
Quality Control Plan	3
Specifications for Sub-Project Contract	3
Sub-Project Contract	6
Survey and Site Plan	6

### Environmental Safeguards and Social Safeguards

The information presented in the table below is based on engineers' assessments of construction and social researchers' interviews with communities. Engineers and social researchers assessed various topics including environmental impact, adherence to health and safety standards, land acquisition, and the existence of a Grievance Redress Mechanism (GRM).

Findings indicate that three sub-projects had protective measures in place for existing trees and two had a waste/debris disposal plan in place. No economic disruption or hygiene issues were reported and no child labour was used at any of the sub-projects. Only two sub-projects had public safety measures in place and none had an incident reporting system. First aid kits were reported to be available for seven of the eight sub-projects and workers at all sites had been seen wearing personal protective equipment (PPE). GRMs had been established for two sub-projects.

Table 3: Findings related to Environmental and Social Safeguards

SUBJECT MONITORED (SOURCE)	APPLICABLE MONITORED SUB-PROJECTS FOR WHICH THE DOCUMENT IS AVAILABLE
<b>Environment (reported by engineers)</b>	N=8
Air pollution from dust, smoke or fumes	8
Protective measures in place for existing trees	3
Noise pollution	8
Waste/debris disposal plan in place	2
<b>Community Health and Safety (reported by engineers)</b>	N=8
Traffic signs, road markings, lights and/or barriers used to redirect traffic	4
Economic disruption reported	0
Public safety measures in place	2

Table 3: Findings related to Environmental and Social Safeguards (continued)

SUBJECT MONITORED (SOURCE)	APPLICABLE MONITORED SUB-PROJECTS FOR WHICH THE DOCUMENT IS AVAILABLE
<b>Occupational Health and Safety (reported by engineers)</b>	<b>N=8</b>
Occupational Health and Safety Plan in place	1
Incident reporting system in place	0
Hygiene issues reported	0
Child labour used on sub-project	0
<b>Health and Safety Safeguards (reported by engineers)</b>	<b>N=8</b>
Accident logbook (engineers)	1
Health and Safety Plan (engineers)	1
First aid kit (engineers)	7
Workers issued with PPE (engineers)	8
Workers wearing PPE (engineers)	8
Workers injured (contractors)	1
Community members injured (contractors)	0
<b>Land Acquisition and Resettlement (reported by engineers)</b>	<b>N=8</b>
Land acquired	5
Land transfer documentation available	2
Land acquired by donation	3
Land acquired from government	2
<b>Grievance Management (reported by engineers and Project Implementation Unit members)</b>	<b>N=8</b>
Grievance Handling Committee in place (PIU members)	2
Committee includes female members (PIU members)	0
Grievance logbook available (engineers)	2
Information on lodging grievances visible around construction site (engineers)	3

## ACHIEVEMENTS AND CHALLENGES

- Out of all ARTF projects monitored in 2020, CIP was the only project to have been graded ‘Good’ as per the TPMA methodology described in Annex 1.
- We did not find any potential excess payments, red flags, questionable transactions or any other financial issues of concern.
- We did not identify any hygiene issues or evidence of minors working on-site. Moreover, unlike for other ARTF projects monitored, we found that for CIP there was widespread, if not wholly complete, provision and use of personal protective equipment (PPE) by labourers.



- Unlike for the other ARTF projects monitored in 2020, no critical deviations were found for CIP. The majority of the (major and minor) deviations identified in 2020 resulted from the contractor not following the design and specifications, as well as poor supervision.
- Although there were no major ESS challenges, environmental and social safeguards were not fully adhered to since air- and noise pollution were observed at all 8 sub-project sites; protective measures for trees were only in place in 3 out of 8 sites; and a waste disposal plan was in place in 2 out of 8 sites. We also identified land acquisition documentation as missing for three of the five sub-projects where land had been acquired.

## OPPORTUNITIES FOR IMPROVEMENT

- The World Bank social safeguards team should follow-up with the CIP focal point to clarify guidelines for contractors to improve compliance with environmental and social safeguards. Standard document requirements, including land acquisition documentation, should be clearly highlighted to the contractors and support provided to ensure that documents are completed and kept as specified.
- The most common deviations in this reporting period are related to poor design or lack of compliance with design specifications. In this context, ensure greater scrutiny of project design in the run-up to implementation of sub-projects. In addition, to overcome these types of deviations, the World Bank could consider supporting IDLG in facilitating a series of training sessions and workshops to help site engineers develop their capacity to supervise construction activities and design projects to the required standards.
- A Grievance Handling Committee (GHC) was found to be in place for only two out of eight sub-projects. Communities seem to prefer bringing project-related grievances to local community elders and mullahs. Therefore, the project should consider ways to bring elders and mullahs into the CIP GHCs to facilitate reporting, tracking, and resolution of grievances.

# ANNEX 6: EDUCATION QUALITY REFORM IN AFGHANISTAN (EQRA)

## INTRODUCTION

EQRA is implemented by the Ministry for Rural Rehabilitation and Development (MRRD) and the Ministry of Education (MoE) through Community Development Councils (CDCs).

The objectives of the EQRA project are to increase equitable access to primary and secondary education, particularly for girls in selected lagging provinces, and improve learning conditions in Afghanistan. The project has four components: 1) equitable access to basic education; 2) improving learning conditions; 3) strengthening education sector planning capacity and transparency; and 4) technical assistance. Our monitoring focuses on EQRA Component 1, the largest component by dollar value, which finances the construction of new school buildings and the provision of essential elements for the rehabilitation of existing schools.

### EQRA Monitoring Activities

- A financial review of sub-project expenditures.
- Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguard standards.
- In-person interviews by social researchers to check available project documentation and adherence to environmental and social safeguards.
- Telephone interviews to better understand project implementation, particularly with respect to community engagement.

## FINANCIAL MONITORING

We completed six Statements of Expenditure (SoEs) in 2020: three for MoE and three for MRRD.

Table 1: Statement of Expenditure Claims in 2020

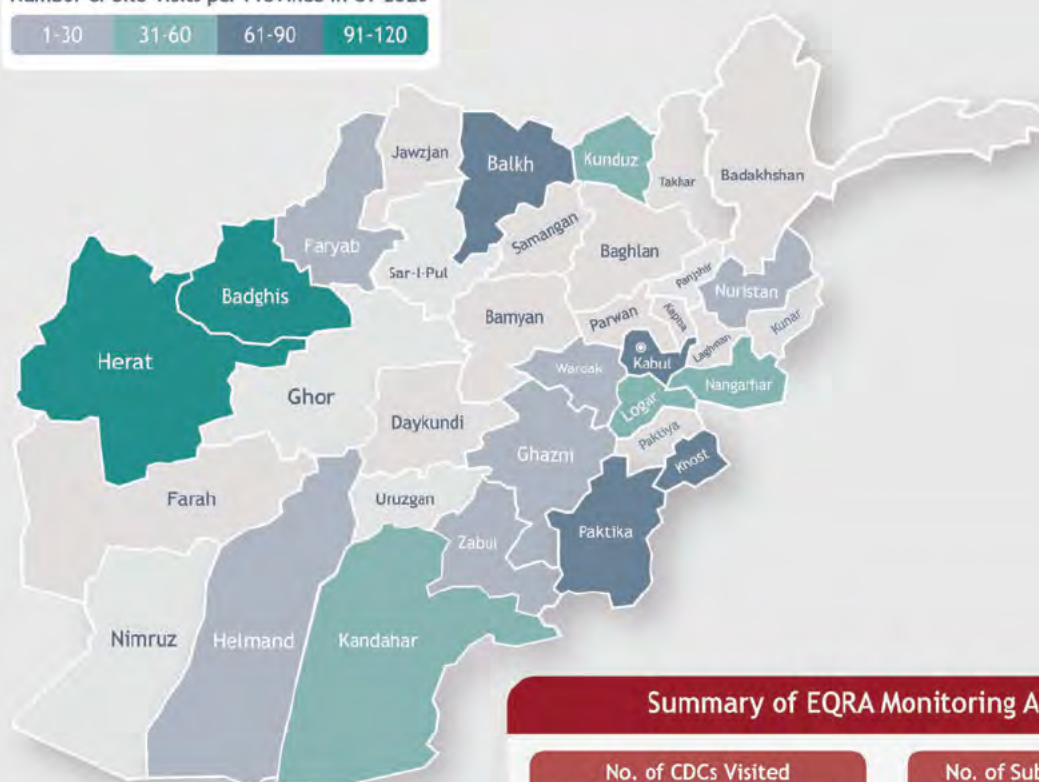
PERIOD OF CLAIM	ENTITY	PROCUREMENT	PAYROLL	PIM <sup>1</sup> COSTS	TOTAL	ADJUSTMENT PROPOSED	ADJUSTED TOTAL
Q1 1399	MoE	-	295,381	-	295,381	-	295,381
Q2 1399	MoE	-	468,690	75	468,765	75	468,840
Q3 1399	MoE	-	537,167	4,973	542,140	-	542,140
Q1 1399	MRRD	6,149,846	-	-	6,149,864	(1,799)	6,148,065
Q2 1399	MRRD	-	372,459	13,118	385,577	(24,221)	361,356
Q1&2 1399	MRRD	-	247,531	-	247,531	-	247,531
<b>TOTAL</b>		<b>6,149,846</b>	<b>1,921,228</b>	<b>18,166</b>	<b>8,089,258</b>	<b>(25,945)</b>	<b>8,063,313</b>

<sup>1</sup> PIM stands for Project Implementation and Management

## EQRA MONITORING IN 2020

Number of Site Visits per Province in CY 2020

1-30   31-60   61-90   91-120



### Summary of EQRA Monitoring Activities

No. of CDCs Visited by Physical Monitoring Team

**882**

No. of Sub-Projects Visited by Physical Monitoring Team

**889**

CDC: 689, Contractor: 200

No. of CDCs Monitored by Financial Monitoring Team

**771**

No. of Sub-Projects Monitored by Financial Monitoring Team

**779**

CDC: 604, Contractor: 175

### EQRA Sub-Projects Visited per Province

<b>108</b> Baghdis	<b>89</b> Khost
<b>88</b> Balkh	<b>44</b> Kunduz
<b>24</b> Faryab	<b>50</b> Logar
<b>15</b> Ghazni	<b>60</b> Nangahar
<b>6</b> Helmand	<b>22</b> Nuristan
<b>119</b> Herat	<b>80</b> Paktika
<b>75</b> Kabul	<b>27</b> Wardak
<b>54</b> Kandahar	<b>28</b> Zabol

### Respondents

Community Respondents Interviewed for EQRA			Total
CDC Head	3	678	681
CDC Deputy	136	325	461
CDC Secretary	103	316	419
CDC Treasurer	4	622	626
Education Sub-Committee Member	139	1,517	1,656
Ordinary Residents of the Community	91	133	224
Parent (From Lower Quantile)	674	2,053	2,727
<b>Total Respondents</b>	<b>1,150</b>	<b>5,644</b>	<b>6,794</b>




### TPMA Staff Monitoring EQRA

Social Researchers:	Call Centre Agents:	Engineers:
<b>41</b>	<b>89</b>	<b>39</b>
49	120	



**EQRA Sub-Project Financial Review Findings**

<b>4</b>  Number of sub-projects where financial progress exceeded physical progress by more than 15%	<b>6,863,150</b>  Value of payments where financial progress exceeded physical progress by more than 15%	<b>0.2 percent</b>  These payments as a percentage of all monitored contracts
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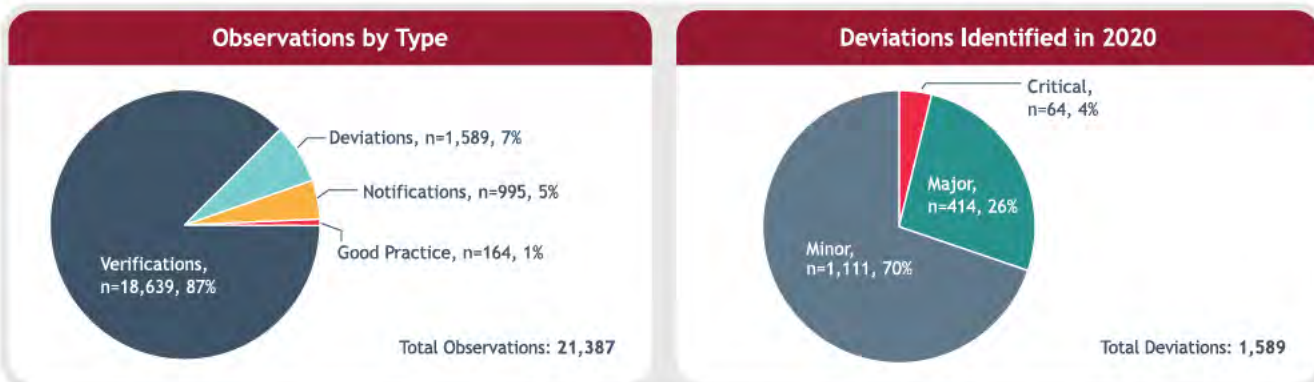
Rectifications	CDC	Contractor	Total
 Value of Contracts Monitored (AFN)	3,193,796,779	1,001,604,683	4,195,401,462
 Estimated Cost of Rectifications this Period (AFN)	43,274,620	10,987,685	54,262,304
 Cost of Rectification as a Percentage of Monitored Contracts	1.4 percent	1.1 percent	1.3 percent

## PHYSICAL MONITORING

Most (64 percent, n=565) of the monitored sub-projects were assessed as Ongoing, with 18 percent (n=164) assessed as Completed and 18 percent (n=160) assessed as Suspended. Delays in implementation were primarily attributed to late disbursements to CDCs, insecurity and inclement weather during the winter.

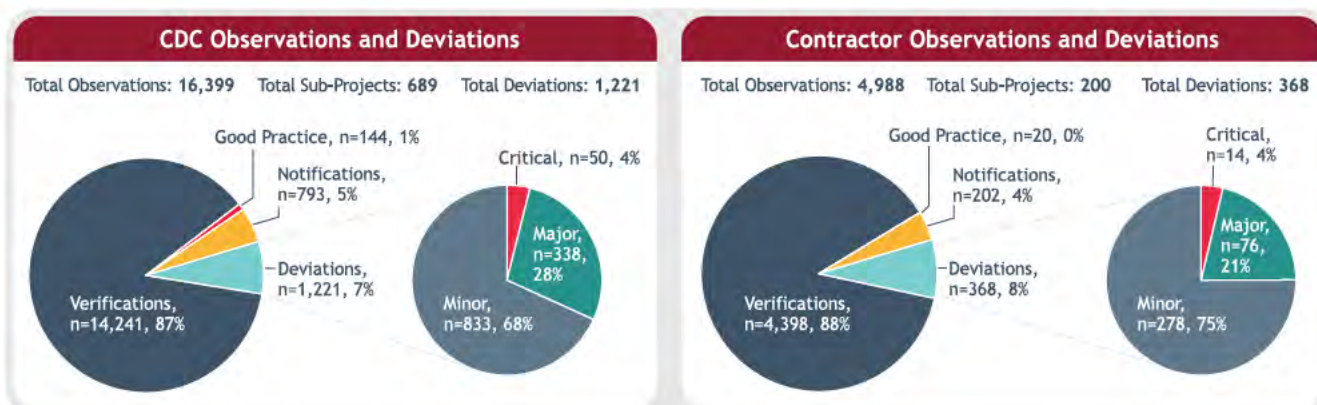
### Observations

‘Observations’ consist of all the data points captured by our engineers when assessing the sub-project on site. For EQRA, these include: **1)** various checks of standards that we call ‘Verifications’; **2)** ‘Good Practice’, which we define as additional work completed to improve the functionality of the project at no additional cost; ‘Deviations’ (for example deviations from project design or social and environmental safeguards), which are classified into critical, major and minor categories as explained in Table 2 of Annex 1; and ‘Notifications’, which are Minor deviations with an estimated rectification cost of USD 50 or less.



EQRA focuses on the construction of schools in rural areas. MRRD implement this by involving the CDCs, supported by its engineers and technical staff. CDCs have the option to either procure materials and labour themselves or procure contractors who will handle procurement for the school building construction. We have therefore provided figures indicating the CDC and contractor breakdown for school construction within the EQRA project.



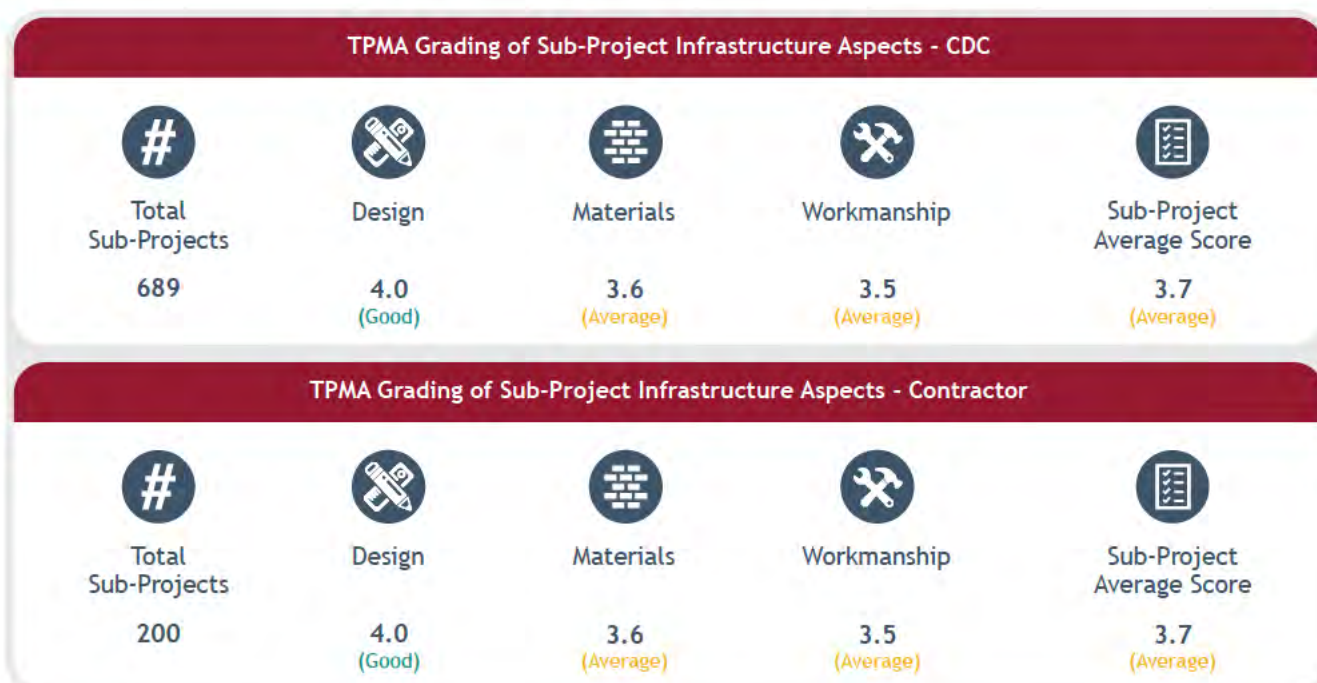


### Good Practice

Third Party Monitoring Agent engineers recorded 164 examples of Good Practice at 71 sub-projects during their visits. The majority (88 percent) were recorded in sub-projects where construction was being implemented by CDCs. Most examples of Good Practice related to additional work being done by CDCs such as adding elements that were not included in the contract. Some notable examples included water pumps, water tanks, tiles, electric systems, and flush toilets for the latrine block. Tiling on stairs, mosaic flooring instead of plain cement concrete, LED lights, planting of trees and flowers, and increasing the depth of water wells or the height of boundary walls were also observed.

### Infrastructure - Aspect Scores








We graded sub-projects by the quality and applicability of design, quality of materials used and workmanship. These ratings ranged from 1 (Low) to 5 (High). The methodology for calculating these ratings is explained in Annex 1. For EQRA, Design tended to receive higher marks while both Use of Materials and Workmanship were graded as Average.



### Deviations

Our engineers made a total of 21,320 observations during 889 site visits. They reported 1,589 deviations in total, with 64 classified as Critical, 414 as Major and 1,111 as Minor. The engineers most frequently attributed the causes of deviations to a lack of advance planning or on-site supervision, whether by MRRD district engineers, CDCs or contractors.

Sub-Projects with Deviations	CDC	Contractor	Total
Sub-Projects	689	200	889
Sub-Projects with No Deviations	310 / 45 percent	94 / 47 percent	407 / 46 percent
Sub-Projects with Critical/Major Deviations	214 / 31 percent	50 / 25 percent	263 / 29 percent
Sub-Projects with <u>Only</u> Minor Deviations	165 / 24 percent	56 / 28 percent	219 / 25 percent

Deviations by Aspect and Classification							
Aspect	 Design	 Materials	 Workmanship	 Project Management	 O&M	 Social Safeguards	 Environmental Safeguards
Minor	6	291	413	387	6	8	0
Major	20	69	110	192	14	5	4
Critical	9	4	10	40	0	1	0
Total	35	364	533	619	20	14	4

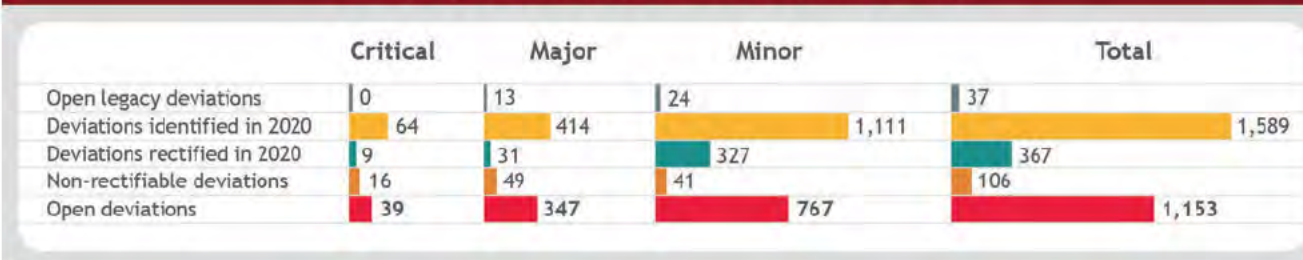
## Rectifications

Throughout the year, the ministry project team rectified 365 deviations, while 106 deviations were considered non-rectifiable. On average, it took them 57 days to close Critical deviations, 10 days to close Major deviations and 129 days to close Minor deviations, one of the fastest rectification rates amongst the projects monitored.

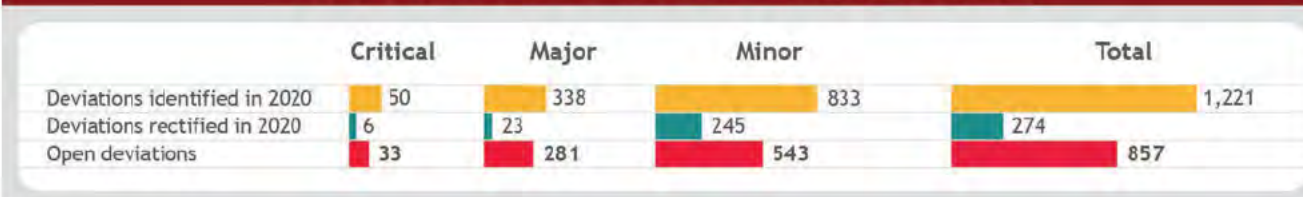
The infographic<sup>6</sup> below presents information about the legacy deviations identified by the Supervisory Agent prior to January 2020, as well as the deviations TPMA engineers identified this year. It shows the number of deviations rectified this year, as well as those deemed non-rectifiable. The red horizontal bar provides the total number of deviations remaining to be rectified at the end of December 2020. It also disaggregates this information by implementer (CDC or contractor), with the exception of legacy deviations because this level of disaggregation is unavailable for this category



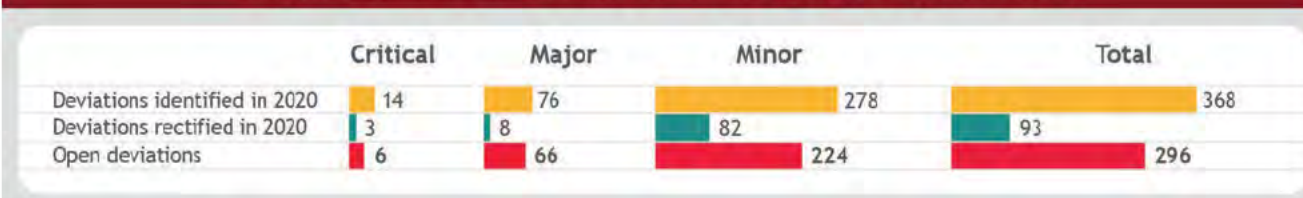
### Summary of EQRA Deviations and Rectifications



### EQRA Deviations and Rectifications Disaggregated (CDCs)



### EQRA Deviations and Rectifications Disaggregated (Contractors)



## Documentation

During site visits, our engineers and social researchers seek to identify a number of documents which are meant to be available at work sites or with local communities. Much of the required documentation was available for inspection. In most of the cases where documents were not reported as available, respondents reported that they existed but were stored elsewhere.

Table 2: Available Documentation

DOCUMENTS	DOCUMENTATION THAT IS AVAILABLE FOR:		
	MONITORED SUB-PROJECTS IMPLEMENTED BY CDCS	MONITORED SUB-PROJECTS IMPLEMENTED BY CONTRACTORS	TOTAL NUMBER OF SUB-PROJECTS MONITORED
	N=689	N=200	N=889
Bill of Quantity	99%	99%	99%
Contract	67%	81%	70%
Environmental and Social Management Plan	88%	69%	84%
Technical Drawings	94%	87%	93%
Technical Specifications	67%	71%	67%

<sup>5</sup> These calculations are based on the date when open deviations were classified as rectified on the Digital Platform in 2020. It is possible that the actual time to rectify a deviation is shorter due to the time taken between addressing the rectification at the construction site and updating the information on the Digital Platform.

<sup>6</sup> In this infographic, the Critical bar charts are disproportionate to the others to make the much smaller numbers visible.

## Environmental Safeguards and Social Safeguards

Engineers assessed various topics including disaster risk reduction, environmental impact, adherence to health and safety standards, injuries to workers, and gender-sensitive construction. This was complemented by phone-based interviews with community members to discuss issues related to community engagement, land acquisition, grievance management and gender.

### DISASTER RISK REDUCTION

Findings highlight that the locations of most schools constructed ensured protection from hazards such as landslides, flooding and fire. Just under half of all schools were in earthquake-prone locations, but this is simply a result of Afghanistan's geological nature. If schools were in an earthquake-impacted area, Danish Assistance to Afghan Rehabilitation and Technical Training (DAARTT) design was used in 86 percent of all buildings constructed; in 7 percent of the cases the design was not followed, and for the remaining 7 percent the engineer was not able to confirm whether the design had been adhered to or not. However, only 38% of schools in earthquake-impacted areas had an earthquake evacuation route and assembly point.

### WORKER SAFETY AND ENVIRONMENT

First aid kits and personal protective equipment (PPE) were only observed in a very limited number of sub-projects where construction was ongoing. This may help to explain why, in almost one-fifth of all sub-projects, injuries had been reported for workers helping with sub-project construction. In addition, cutting down trees was reported in one-fifth of all sub-projects, and replanting trees in less than one-tenth of all sub-projects.

### COMMUNITY CONSULTATION

For two-thirds of all sub-projects, community members stated that they had been consulted during the planning phase. Similarly, for just under two-thirds of all sub-projects, community members reported that a School Management Shura had been established. Community members reported that women had been consulted during planning and implementation in less than one-third of all sub-projects.

### LAND ACQUISITION

Land acquisition documentation was also reported to be available for over half of all sub-projects (57 percent). Community members reported that a Grievance Redress Mechanism (GRM) had been established for one-third of all sub-projects.

The information presented in the table below comes from assessments by engineers and phone-based interviews with CDC office-bearers, Sub-Committee members and community members. Where the phrases "all CDC office-bearers and Sub-Committee members agreed" or "all types of respondents agreed" appear, this means that all CDC office-bearers and Sub-Committee members or all types of respondents from a particular sub-project answered yes to the question being asked. If only some respondents answered yes, that sub-project is not shown. Overall, therefore, these represent a minimum number of sub-projects. Where the phrase "reported by any type of respondent" appears, this means that as soon as one respondent from a sub-project answered yes to the question being asked, the sub-project is shown, even when other respondents from the sub-project provided a different answer. Overall, therefore, these represent a maximum number of sub-projects.



Table 3: Findings related to Environmental and Social Safeguards

SUBJECT MONITORED (SOURCE)	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY CDCS	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY CONTRACTORS	TOTAL NUMBER OF APPLICABLE MONITORED SUB-PROJECTS
<b>Disaster Risk Reduction (reported by engineers)</b>	<b>N=689</b>	<b>N=200</b>	<b>N=889</b>
Schools located on a steep slope and prone to landslide	10%	6%	9%
Schools located near a river with potential for flooding	8%	6%	7%
Schools located in a densely populated area and prone to fire	2%	1%	1%
Schools located in an earthquake-impacted area as per DAARTT report	47%	52%	48%
	<b>N=320</b>	<b>N=104</b>	<b>N=424</b>
Where schools are located in an earthquake-impacted area, DAARTT design used in schools	84%	92%	86%
Where schools are located in an earthquake-impacted area, schools have an earthquake evacuation route and assembly point	39%	34%	38%
<b>Health and Safety (reported by engineers)</b>	<b>N=434</b>	<b>N=131</b>	<b>N=565</b>
First aid kit available at sub-projects with ongoing construction	15%	18%	15%
Workers at ongoing construction sites equipped with PPE	15%	15%	15%
District/contractor engineer(s) present at sub-projects with ongoing construction	80%	82%	81%
MRRD engineer assigned to monitor construction at ongoing sub-projects	88%	85%	88%
<b>Injuries (reported by community respondents)</b>	<b>N=682</b>	<b>N=200</b>	<b>N=882</b>
CDCs where students were injured (reported by any type of respondent)	3%	2%	3%
CDCs where workers were injured (reported by any type of respondent)	19%	18%	19%
CDCs where community members were injured (reported by any type of respondent)	3%	5%	4%
<b>Environment (reported by engineers)</b>	<b>N=682</b>	<b>N=200</b>	<b>N=882</b>
Number of sub-projects with trees cut down*	20%	25%	21%
Number of sub-projects with trees replanted*	9%	8%	9%
<b>Community Engagement (reported by community respondents)</b>	<b>N=682</b>	<b>N=200</b>	<b>N=882</b>
School Management Shura established (all types of respondents agreed)	62%	65%	63%
Community consulted during the planning phase (all types of respondents agreed)	64%	76%	67%
Community women consulted during planning and implementation (all types of respondents agreed)	29%	40%	31%
<b>Land Acquisition (reported by community respondents - Q4 2020 only)</b>	<b>N=682</b>	<b>N=200</b>	<b>N=882</b>
Land required for construction (all CDC office-bearers and Sub-Committee members agreed)	60%	63%	61%
People required to leave their homes or land (reported by any type of respondent)	4%	4%	4%
	<b>N=24</b>	<b>N=8</b>	<b>N=32</b>
Where people were required to leave their homes or land, Resettlement Action Plan was available (reported by any type of respondent)	67%	38%	59%



Table 3: Findings related to Environmental and Social Safeguards (continued)

SUBJECT MONITORED (SOURCE)	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY CDCS	APPLICABLE MONITORED SUB-PROJECTS IMPLEMENTED BY CONTRACTORS	TOTAL NUMBER OF APPLICABLE MONITORED SUB-PROJECTS
<b>Land Acquisition</b> (reported by social researchers - Q4 2020 only)	N=682	N=200	N=882
Land acquisition required	4%	11%	5%
	N=25	N=22	N=47
Land acquisition documentation available	52%	64%	57%
<b>Grievance Management</b> (reported by community respondents)	N=682	N=200	N=882
Communities in which grievances reported (reported by any type of respondent)	34%	27%	33%
Grievance Handling Committee (GHC) established (all types of respondents agreed)	33%	33%	33%
	N=225	N=66	N=291
Where a GHC was established, there was a designated focal point to register/report grievances (all types of respondents agreed)	7%	20%	10%
<b>Gender-Sensitive Construction</b> (reported by engineers and community respondents)	N=682	N=200	N=882
School location considered suitable for boys (all types of respondents agreed)	81%	88%	83%
School location considered suitable for girls (all types of respondents agreed)	68%	78%	70%
	N=269	N=87	N=356
Co-educational schools with separate latrines (engineers)	11%	6%	10%
	N=52	N=20	N=72
Co-educational secondary and high schools with boundary wall (engineers)	73%	65%	71%
	N=38	N=4	N=42
Girls' secondary and high schools with boundary wall (engineers)	82%	75%	81%

\*Community respondent answers estimate that 3,729 trees were cut down and 1,842 saplings were replanted.

## ACHIEVEMENTS AND CHALLENGES

- Engagement by national and local authorities of the project was high, with 88 percent of all ongoing monitored sub-projects found to have a MRRD engineer designated to monitor the sub-project construction. A district or contractor engineer was present during our site visits at 81 percent of the on-going sub-projects we monitored.
- Almost half of the sub-projects (46 percent, n=407) did not have any deviations. Poor project management, poor workmanship and poor use of materials caused the majority of the deviations and can mostly be attributed to a lack of supervision by both project and district engineers during construction.

- Likewise, community engagement was high as well: just under two-thirds of all sub-projects, community members reported that a School Management Shura had been established. In addition, some communities financially contributed to school construction, though they were not required. This shows engagement and ownership of the projects by the communities.
- Most of the construction-related documents were available on sites. However, land acquisition documentation was reported to be available for over half of all sub-projects where land had been acquired.
- Only four major deviations resulted were related to lack of compliance to environmental safeguards. However, engineers did find that so far only 9 percent of sites trees had been replanted even though at 21 percent of all sites trees had been reported to be cut.
- Almost half of all schools are located in earthquake-prone areas and DAARTT design is used for most of these schools. However, it appears that Project Management Unit (PMU) staff do not always advise construction teams to follow the DAARTT guidelines since more than half of the schools in earthquake-prone areas do not have an earthquake evacuation route and assembly point in place.
- Delays in payments of instalments have been found to cause delays in sub-project construction. In addition, due to a lack of Operations and Maintenance (O&M) Plans, various CDCs have faced budget difficulties when completing the construction of schools and rectifying deviations. There has also been limited follow-up regarding rectification of deviations once completed schools are handed over to the MoE.
- First aid kits and PPE were only observed in a very limited number of sub-projects where construction was ongoing.
- Community members reported that a GRM had been established for only one-third of all sub-projects.

## OPPORTUNITIES FOR IMPROVEMENT

- The World Bank social safeguards team should work closely with the EQRA focal points to improve guidelines and training to PMUs on DAARTT principles, environmental and social safeguards, and proper site selection. Among other things, protective measures for existing trees and countermeasures (retaining and protection walls) in the design for landslide- and flood-prone areas are recommended to become requirements. MRRD and MoE should standardise the required documentation at all sub-project sites, highlighting the relevant requirements to EQRA Point of Contact and provincial PMUs and enhance coordination between these groups of staff.
- Engagement of national and local authorities to the project was high but most of the deviations could nevertheless attributed to a lack of supervision by both project and district engineers during construction. This could be addressed if fewer school sub-projects are assigned to district engineers to ensure better supervision of sub- project construction.
- Timely payment of instalments to CDCs is important and construction should not begin until sub-project sites have an approved O&M Plan and locally established funding sources for O&M. Where construction inadvertently begins without these requirements in place, it should be suspended until requirements are satisfied.
- Community members reported that women had been consulted during planning and implementation in less than one-third of all sub-projects. Therefore, consultation with female community members during planning and implementation of the sub-project should be promoted.

- First aid kits, PPE and safety training for workers should be available at each construction site. If these are not built into the sub-project budget, construction should not begin until labourers are trained in basic first aid and a kit and PPE are available.
- Finally, communities seem to prefer bringing project-related grievances to local community elders and mullahs. Therefore, CDCs should be encouraged to bring elders and mullahs into the GRM to facilitate the reporting, tracking, and resolution of grievances.



# ANNEX 7: IRRIGATION REHABILITATION AND DEVELOPMENT PROJECT (IRDP)

## INTRODUCTION

The objective of this project was to support the government of Afghanistan with the continued implementation of the National Priority Irrigation Rehabilitation Program to rehabilitate irrigation systems that had become dilapidated. IRDP funded, among other things, the rehabilitation of irrigation systems covering about 300,000 hectares of irrigated areas, and the design and construction of a limited number of multi-purpose small dams and appurtenances, and associated irrigation conveyance and distribution systems in closed river basins. The project was implemented by the National Water Affairs Regulation Authority (NWARA). IRDP closed in 2020.

## FINANCIAL MONITORING

We completed three Statements of Expenditure in 2020, all for NWARA.




### IRDP Monitoring Activities

- A financial review of sub-project expenditures.
- Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguard standards.
- Telephone interviews to better understand project implementation, particularly with respect to community engagement.

Table 1: Statement of Expenditure Claims in 2020

PERIOD OF CLAIM	ENTITY	PROCUREMENT	PAYROLL	PIM <sup>1</sup> COSTS	TOTAL	ADJUSTMENT PROPOSED	ADJUSTED TOTAL
Q1 1399	NWARA	1,162,861	273,963	19,948	1,456,771	309,044	1,765,815
Q2 1399	NWARA	4,181,654	732,547	82,595	4,996,796	(355,580)	4,641,216
Q3 1399	NWARA	5,667,129	746,579	46,043	6,459,751	(1,903,318)	4,556,433
TOTAL		11,011,644	1,753,089	148,586	12,913,318	(1,949,854)	10,963,464

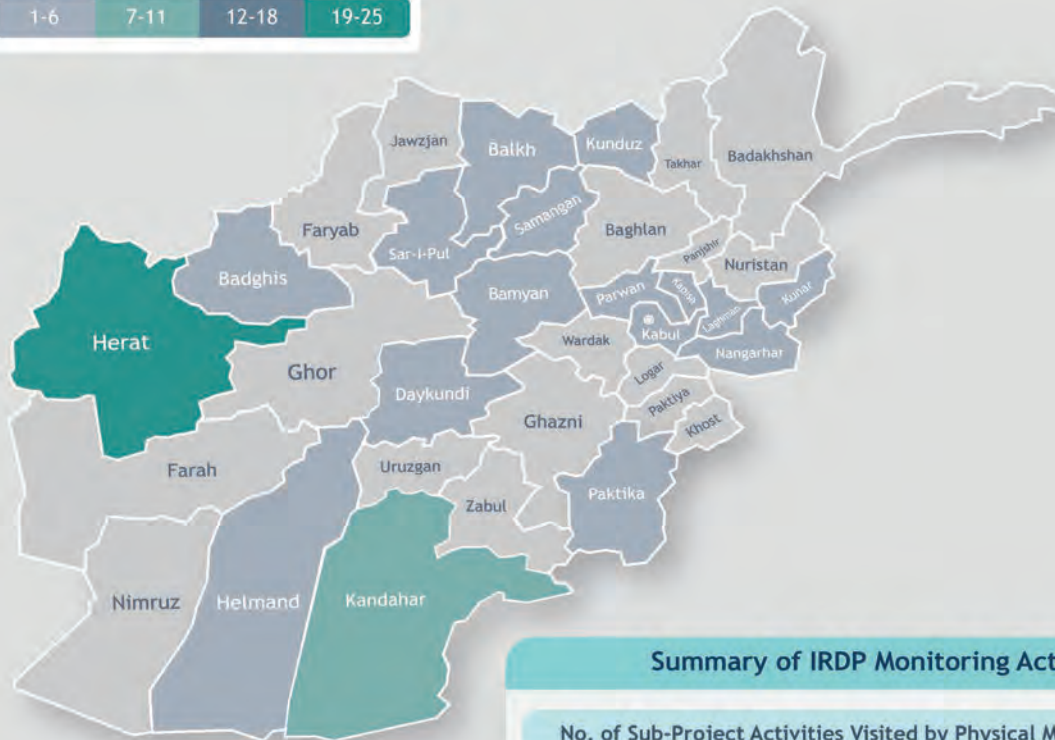
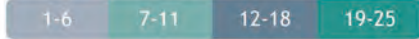
<sup>1</sup> PIM stands for Project Implementation and Management

Rectifications	Total
 Value of Contracts Monitored (AFN)	2,650,069,361
 Estimated Cost of Rectifications this Period (AFN)	10,879,953
 Cost of Rectification as a Percentage of Monitored Contracts	0.4 Percent

Please note that there were no sub-projects found where financial progress exceeded physical progress by more than 15 percent.

## IRDP Monitoring in 2020

Number of Site Visits per Province in CY 2020



### IRDP Sub-Projects Visited per Province

1	Baghdis	1	Kunar
2	Balkh	6	Kunduz
2	Bamyan	1	Laghman
1	Daykundi	2	Nangarhar
3	Helmand	1	Paktika
25	Herat	2	Parwan
4	Kabul	3	Samangan
9	Kandahar	3	Sar-I-Pul
2	Kapisa		

### Summary of IRDP Monitoring Activities

No. of Sub-Project Activities Visited by Physical Monitoring Team

68

No. of Sub-Projects Visited by Physical Monitoring Team

50

No. of Sub-Projects Monitored by Financial Monitoring Team

50

#### Respondents

CDC/Community Respondents Interviewed for IRDP			Total
CDC Head	0	50	50
CDC Deputy	2	31	33
CDC Secretary	0	23	23
CDC Treasurer	0	39	39
Community Members/Non-CDC Members	3	148	151
Grievance Redress Committee Member	0	47	47
Mirab	0	42	42
Mirab Deputy	0	22	22
<b>Total Respondents</b>	<b>5</b>	<b>402</b>	<b>407</b>

#### TPMA Staff Monitoring IRDP

Engineers: 18 Call Centre Agents: 11 11 18



## PHYSICAL MONITORING

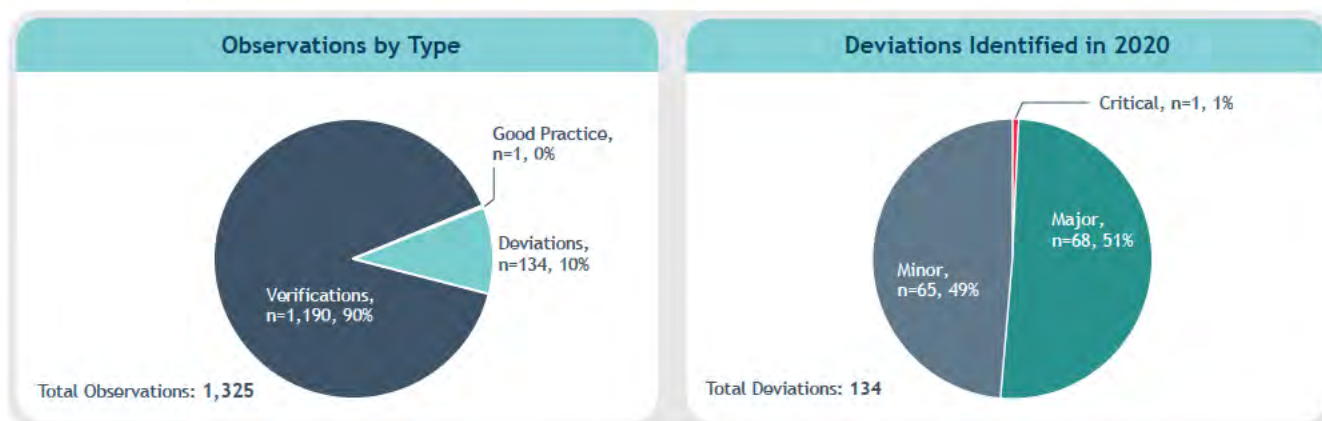
Our engineers assessed a majority of the monitored sub-projects (64 percent, n=34) as Ongoing, 14 percent (n=14) as Completed, and 4 percent (n=2) as Substantially Completed.

### Observations

‘Observations’ consist of all the data points captured by our engineers when assessing the sub-project on site. These include: 1) various checks of standards that we call ‘Verifications’; 2) ‘Good Practice’, which we define as additional work completed to improve the functionality of the project at no additional cost; and 3) ‘Deviations’ (for example deviations from project design or social and environmental safeguards), which are classified into critical, major and minor categories as explained in Table 2 of Annex 1.

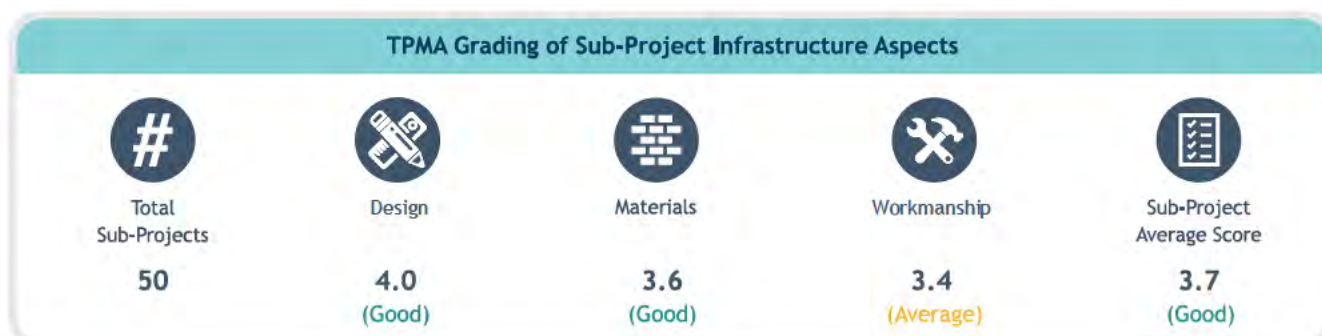
### Good Practice

Our engineers identified one example of Good Practice in the Qush Tepa Canal Irrigation Scheme (Sub-Project ID: U-511) in Khanabad district, Kunduz, where the contractor had exceeded the length of the canal compared to the design requirements.



### Infrastructure - Aspect Scores

We graded sub-projects by the quality and applicability of design, quality of materials used and workmanship. These ratings ranged from 1 (Low) to 5 (High). The methodology for calculating these ratings is explained in Annex 1. For IRDP, Design and Use of Materials tended to receive higher marks while Workmanship was graded as Average.



### Deviations

Our engineers made a total of 1,325 observations during 68 site visits. They reported 134 deviations in total, with one classified as Critical, 68 as Major and 65 as Minor. They found that the majority of deviations were caused by poor project management and poor workmanship.



Sub-Projects with Deviations	Total
Sub-Projects	50
Sub-Projects with No Deviations	23 / 46 Percent
Sub-Projects with Critical and/or Major Deviations	16 / 32 Percent
Sub-Projects with <u>Only</u> Minor Deviations	11 / 22 percent

Deviations by Aspect and Classification							
Aspect	 Design	 Materials	 Workmanship	 Project Management	 O&M	 Social Safeguards	 Environmental Safeguards
Minor	4	12	32	8	9	0	0
Major	2	10	32	16	6	1	1
Critical	0	0	0	0	0	1	0
Total	6	22	64	24	15	2	1

## Rectifications

Throughout the year, the NWARA project team rectified 253 deviations, while 134 deviations were considered non-rectifiable. On average, it took them 10 days to close Critical deviations, 43 days to close Major deviations and 61 days to close Minor deviations<sup>7</sup>, the fastest rectification rate amongst the projects monitored. The infographic<sup>8</sup> below presents information about the legacy deviations identified by the Supervisory Agent prior to January 2020, as well as the deviations TPMA engineers identified this year. It shows the number of deviations rectified this year, as well as those deemed non-rectifiable. The red horizontal bar provides the total number of deviations remaining to be rectified at the end of December 2020.

Summary of IRDP Deviations and Rectifications				
	Critical	Major	Minor	Total
Open legacy deviations	6	157	36	199
Deviations identified in 2020	1	68	65	134
Deviations rectified in 2020	7	166	80	253
Non-rectifiable deviations	0	21	8	29
Open deviations	0	38	13	51

<sup>7</sup> These calculations are based on the date when open deviations were classified as rectified on the Digital Platform in 2020. It is possible that the actual time to rectify a deviation is shorter due to the time taken between addressing the rectification at the construction site and updating the information on the Digital Platform.

<sup>8</sup> In this infographic, the Critical bar charts are disproportionate to the others to make the much smaller numbers visible.

## Documentation

During site visits, our engineers and social researchers seek to identify a number of documents which are meant to be available at work sites or with local communities. Much of the required documentation was available for inspection. In most of the cases where documents were not reported as available, respondents reported that they existed but were stored elsewhere.

Table 2: Available Documentation

DOCUMENTS	DOCUMENTATION THAT IS AVAILABLE FOR:
	MONITORED SUB-PROJECTS
	N=50
Bill of Quantity	42
Environmental and Social Management Plan	32
Technical Drawings	45
Technical Specifications	40

## Environmental Safeguards and Social Safeguards

The information presented in the table in this section is based primarily upon engineers' assessments, supplemented by a limited number of phone interviews with CDC office-bearers, Sub-Committee members and community members.

Findings highlight that the environmental impact of this project has been relatively high compared to other projects, with soil pollution observed in 15 out of 50 sites. Similarly, in 12 sites natural areas were degraded due to transportation of construction materials. More than half of all sites required a quarry and removed sand/gravel from the riverbed without approval. Trees were cut down in 14 out of 50 sites, with communities at all of these 14 sites being consulted before the trees were removed.

Importantly, workers had been provided with personal protective equipment (PPE) in more than half of all sites. A first aid kit was available in 16 out of 50 sites, which is higher than for most other projects. However, for ten out of 50 project sites, life safety issues were observed.

Engineers reported that land acquisition had been applicable for 42 out of 50 project sites but land acquisition documentation was available for only ten of these 42 sites.

A Grievance Redress Mechanism (GRM) was available for fewer than half of all project sites, but the CDC office-bearers and Sub-Committee members at almost all project sites reported that they were satisfied with the sub-project construction. Although CDC office-bearers and Sub-Committee members reported that Environmental and Social Standards (ESS) training had only been conducted for 21 out of 50 project sites, 41 had appointed an ESS focal point. Women had been consulted for almost all of the projects.

In the table below, where the phrases "all CDC office-bearers and Sub-Committee members agreed" appears, this means that all CDC office-bearers and Sub-Committee members from a particular sub-project unanimously answered yes to the question being asked. If only some respondents answered yes, that sub-project is not considered. Overall, therefore, these represent a minimum number of sub-projects.



Table 3: Findings related to Environmental and Social Safeguards

SUBJECT MONITORED (SOURCE)	APPLICABLE MONITORED SUB-PROJECTS
<b>Environmental (reported by engineers)</b>	<b>N=50</b>
Route for transporting construction materials is degrading natural areas or accelerating erosion	12
Sites with soil pollution	15
Waste oil or fuel stored at work site	4
Environmental and Social Management Plan (ESMP) available	36
ESMP focal point assigned to the sub-project during implementation	23
Erosion due to grading earth work or similar sub-project activity	7
Quarry area used	29
Sand/gravel removal from riverbed without approval	32
Locations with trees cut down (reported by community)	14
Community consulted about tree removal	14
<b>Health and Safety (reported by engineers)</b>	<b>N=50</b>
Workers provided with PPE	35
Workers using PPE	29
Incident reporting mechanism in place	15
First aid kit available	16
Life safety issues pertinent to the sub-project observed during the visit	10
<b>Land Acquisition (reported by engineers)</b>	<b>N=50</b>
Sub-projects requiring land beyond the existing alignment	42
Locations where land was donated	15
Land donation or acquisition documents available	10
Locations where people were temporarily affected by sub-project use of private, common or government land	11
Locations where people were permanently affected by sub-project use of land	4
<b>Grievance Redress Mechanism (reported by engineers)</b>	<b>N=50</b>
Grievance Handling Committee in place	19
Grievance records available	15
Conflicts between the contractor and the community	2
<b>Satisfaction with contractor performance (all CDC office-bearers and Sub-Committee members agreed)</b>	<b>N=50</b>
Engineer present on site	50
Use of high-quality construction materials	47
Satisfied with the contractors' materials testing	45
Contractors keeping people informed about construction progress	41
Sub-project on schedule	46
<b>Community Engagement (all CDC office-bearers and Sub-Committee members agreed)</b>	<b>N=50</b>
ESS training conducted for CDCs	21
Community consulted during planning	40
Women consulted during planning and implementation	40
Concerns raised by women during consultation	22
ESS focal point appointed	41



## ACHIEVEMENTS AND CHALLENGES

- We did not find potential excess payments, red flags, questionable transactions or any other financial issues of concern had been found for this project.
- A Grievance Redress Mechanism had been established in less than half of all the sub-projects visited but from in-person interviews with community people, mostly positive responses were received regarding the degree of community consultation before and during sub-project implementation.
- Many of the IRDP sub-projects were rated Good or Average and the overall rating for IRDP sub-projects monitored during 2020 is Average.
- Some form of materials testing program was in place for most of the sub-projects monitored. Our engineers assessed that the most frequent tests conducted across the sub-projects were slump tests for concrete, air content tests, temperature tests and compressive strength tests.
- Much of the required documentation was available for inspection and, in the opinion of the engineers, appropriately stored.
- The majority of deviations found for IRDP were related to poor workmanship and project management by the contractors.
- In addition, the environmental impact of the project appears to have been relatively high and land acquisition documentation was found to be missing for most sub-projects.
- NWARA representatives accompanied engineers in much of site visits and were found to be cooperative before and during the visits. Security concerns precluded the staff from the Sar-I-Pul Project Management Unit staff from accompanying our engineer to the Zaka canal irrigation scheme rehabilitation/restoration works in Sar-I-Pul district (Sub-Project ID: M-504). We did not visit this sub-project during this reporting period.

## OPPORTUNITIES FOR IMPROVEMENT

- Although IRDP closed in 2020, results from our monitoring in past year can be useful to inform recommendations for future programming.
- The World Bank social safeguards team should work closely with the project team focal points to clarify guidelines for contractors to improve compliance with environmental and social safeguards. Documentation requirements, including those for land acquisition, should be standardised and clearly highlighted to contractors. Moreover, construction should only begin once ESMP focal points have been appointed and, ideally, trained on the guidelines mentioned above.
- Communities seem to prefer bringing project-related grievances to local community elders and mullahs, so future projects should encourage participation by elders and mullahs in the GRM process at the early stages of design.

# ANNEX 8: NATIONAL HORTICULTURE & LIVESTOCK PROJECT (NHLP)

## INTRODUCTION

NHLP was implemented by the Ministry of Agriculture, Irrigation and Livestock (MAIL). The project aimed to promote the adoption of improved production practices by targeted farmers, accompanied by a gradual rollout of farmer-centric agricultural services systems and investment support. NHLP closed in 2020.

## FINANCIAL MONITORING

We completed three Statements of Expenditure in 2020, all for MAIL.

There were no sub-projects found where financial progress exceeded physical progress by more than 15 percent.

### NHLP Monitoring Activities

- A financial review of sub-project expenditures.
- Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguard standards.
- In-person interviews by social researchers to recipients of poultry and mini-tractors.

Table 1: Statement of Expenditure Claims in 2020

PERIOD OF CLAIM	ENTITY	PROCUREMENT	PAYROLL	PIM <sup>1</sup> COSTS	TOTAL	ADJUSTMENT PROPOSED	ADJUSTED TOTAL
Q1 1399	MAIL	49,651	1,090,825	-	1,140,476	(49,651)	1,090,825
Q2 1399	MAIL	5,704,905	2,318,465	126,163	8,149,532	(1,750,855)	6,398,678
Q3 1399	MAIL	777,421	505,584	36,751	1,319,757	(329,261)	990,495
<b>TOTAL</b>		<b>6,531,977</b>	<b>3,914,874</b>	<b>162,914</b>	<b>10,609,765</b>	<b>(2,129,767)</b>	<b>8,479,998</b>

<sup>1</sup> PIM stands for Project Implementation and Management

Financial Review	Total
 Value of Contracts Monitored (AFN)	167,368,100
 Estimated Cost of Rectifications	8,182,273
 Cost of Rectification as a Percentage of Monitored Contracts	4.9 percent

## NHLP MONITORING IN 2020

Number of Site Visits per Province in CY 2020

1-25    26-50    51-75    76-100



### Summary of NHLP Monitoring Activities

No. of Sub-Project Activities Visited by Physical Monitoring Team

**445**

No. of CDCs Visited by Physical Monitoring Team

**286**

No. of Sub-Projects Visited by Physical Monitoring Team

**384**

No. of CDCs Monitored by Financial Monitoring Team

**220**

No. of Sub-Projects Monitored by Financial Monitoring Team

**350**

### Site Visits by Activity

Mini-Tractor Distribution

**2**

Bore Wells

**99**

Check Dams

**79**

Poultry Distribution

**59**

Raisin-Making Houses

**206**

### Respondents

Respondents

Interviewed for NHLP: **306**    **260**    **46**

### TPMA Staff Monitoring NHLP

Social Researchers: **36**

**36**

**0**

Engineers: **8**

**0**

**8**

### NHLP Sub-Projects Visited per Province

3	Badakhshan	9	Khost
2	Badghis	23	Kunar
9	Baghlan	9	Kunduz
12	Balkh	8	Laghman
9	Farah	7	Logar
6	Faryab	19	Nangarhar
31	Ghazni	15	Paktika
3	Ghor	32	Paktiya
17	Helmand	1	Panjshir
25	Herat	28	Parwan
10	Jawzjan	6	Samangan
95	Kabul	3	Sar-I-Pul
20	Kandahar	3	Takhar
36	Kapisa	4	Wardak

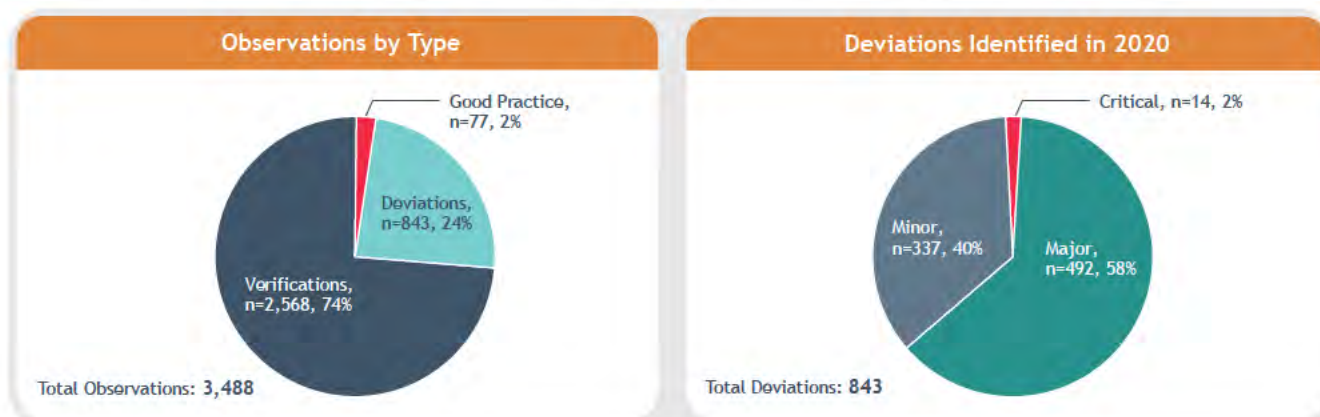


## PHYSICAL MONITORING

Our engineers assessed most of the visited sub-project activities as Completed (96 percent, n=370) with a few Ongoing (n=3) and Stopped (n=11). The stoppages were attributed to a range of factors, including budget limitations, security threats, carelessness of beneficiary and social problems. Our engineer assessed most of the completed sub-project activities as satisfactory.

### Observations

'Observations' consist of all the data points captured by our engineers when assessing the sub-project on site. These include: 1) various checks of standards that we call 'Verifications'; 2) 'Good Practice', which we define as additional work completed to improve the functionality of the project at no additional cost; and 3) 'Deviations' (for example deviations from project design or social and environmental safeguards), which are classified into critical, major and minor categories as explained in table 2 of Annex 1.

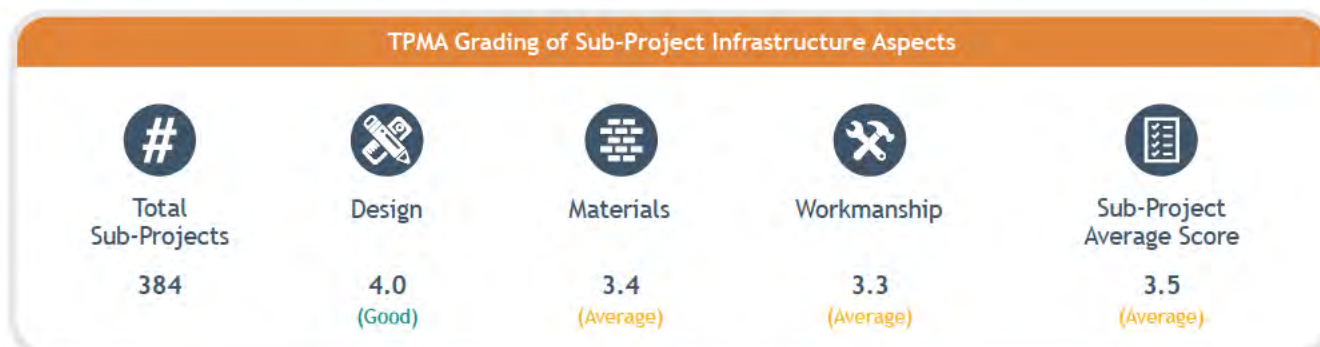


### Good Practice

We recorded 77 examples of Good Practice over the year. Most of these were related to sub-projects where contractor implementation exceeded design requirements. We found 44 examples of Good Practice in 206 raisin making house sub-projects, 13 in 86 small check dams sub-projects, and 20 in 92 bore well sub-projects. Examples of Good Practice were mostly attributed to good use of materials and workmanship.

### Infrastructure - Aspect Scores

We graded sub-projects by the quality and applicability of design, quality of materials used and workmanship. These ratings ranged from 1 (Low) to 5 (High). The methodology for calculating these ratings is explained in Annex 1. For NHLP, Design tended to receive higher marks while both Use of Materials and Workmanship were graded as Average.



## Deviations

Our engineers made a total of 3,488 observations during 445 site visits. They reported 843 deviations in total, classifying 14 as Critical, 492 as Major, and 337 as Minor.

The number of deviations found was relatively high considering the number of sub-projects visited. There were 572 deviations for 206 raisin-making house sub-projects, 181 deviations for 79 small check dams sub-projects, and 90 deviations for 99 bore well sub-projects.

Our engineers identified probable causes for each deviation. Most deviations were attributed to insufficient coordination and site supervision by MAIL and Community Participatory Monitoring committee members during construction work. Other probable causes reported were poor workmanship, budget limitations and lack of maintenance.

Sub-Projects with Deviations	Total
Sub-Projects	384
Sub-Projects with No Deviations	93 / 24 Percent
Sub-Projects with Critical and/or Major Deviations	232 / 60 Percent
Sub-Projects with <u>Only</u> Minor Deviations	59 / 15 percent

Deviations by Aspect and Classification							
Aspect	 Design	 Materials	 Workmanship	 Project Management	 O&M	 Social Safeguards	 Environmental Safeguards
Minor	3	93	69	153	12	4	3
Major	18	120	50	287	11	4	2
Critical	1	3	1	7	1	1	0
Total	22	216	120	447	24	9	5

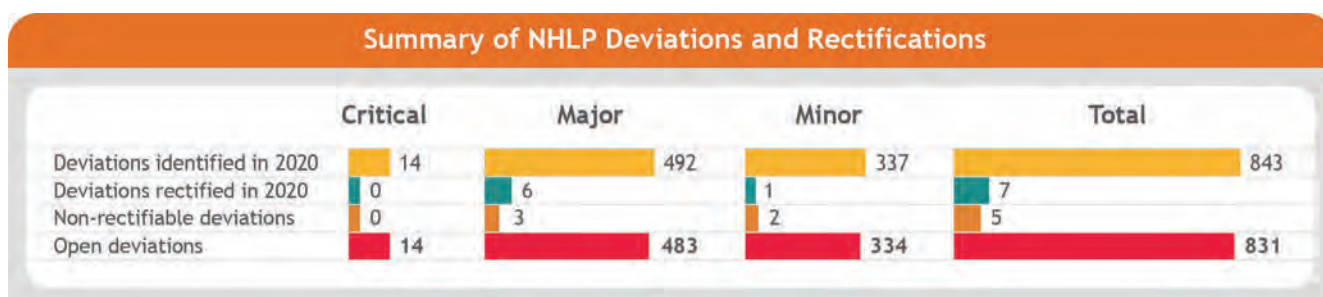
## Rectifications

Throughout the year, the MAIL project team rectified 7 deviations, while 5 deviations were considered non-rectifiable. On average, it took them 160 days to close Major deviations and 109 days to close Minor deviations<sup>9</sup>. No Critical deviations were rectified in 2020.

The infographic<sup>10</sup> below presents information about the deviations TPMA engineers identified this year. It shows the number of deviations rectified this year, as well as those deemed non-rectifiable. The red horizontal bar provides the total number of deviations remaining to be rectified at the end of December 2020.

<sup>9</sup> These calculations are based on the date when open deviations were classified as rectified on the Digital Platform in 2020. It is possible that the actual time to rectify a deviation is shorter due to the time taken between addressing the rectification at the construction site and updating the information on the Digital Platform.

<sup>10</sup> In this infographic, the Critical bar charts are disproportionate to the others to make the much smaller numbers visible.



## Environmental Safeguards and Social Safeguards

The information presented in the table below is based on assessments from our engineers’ visits to the various sub-projects. Findings indicate that projects related to bore wells and raisin making houses had no to minimal harmful effects on the environment. For small check dams, a few sub-projects (3 percent) were reported to have negatively affected environmentally sensitive areas, and soil erosion or land degradation was reported to have occurred for 4 percent of small check dam sub-projects. The use of pesticides was relatively high (just under one-third) for raisin making houses. Training on safe use of pesticides was reportedly provided for 30 percent of all raising making house sub-projects.

Land acquisition documentation was not found to be available for any of the sub-projects, even though land had reportedly been acquired for 45 percent of all sub-projects. Grievance Handling Committees (GHCs) were reported to be available in just under half of all sub-projects. Raisin making house sub-projects had the highest number of GHCs (54 percent) and bore well sub-projects had the lowest (35 percent).

Table 2: Findings related to Environmental and Social Safeguards

SUBJECT MONITORED	NUMBER OF APPLICABLE MONITORED SMALL CHECK DAMS	NUMBER OF APPLICABLE MONITORED BORE WELLS	NUMBER OF APPLICABLE MONITORED RAISIN MAKING HOUSES	TOTAL NUMBER OF APPLICABLE MONITORED PROJECT FEATURES
<b>Environment</b>	<b>N=79</b>	<b>N=99</b>	<b>N=206</b>	<b>N=384</b>
Safeguard declaration form available with the beneficiary	0%	0%	0%	0%
Sub-project negatively affecting environmentally sensitive areas such as rivers, forests or pastures	3%	0%	0%	1%
Sub-project construction took place within or next to a government-recognised protected area	5%	0%	2%	2%
Sub-project reduced people’s access to public services or resources	0%	0%	0%	0%
Soil erosion or land degradation occurred due to the sub-project	4%	0%	0%	1%
Solid or liquid waste from the sub-project polluting soil, river or groundwater	0%	0%	0%	0%
Trees cut down from sub-project area	0%	1%	1%	1%
Pesticides used for the sub-project	8%	14%	29%	21%
Sub-projects received training on safe use of pesticides	3%	11%	30%	19%



Table 2: Findings related to Environmental and Social Safeguards (continued)

SUBJECT MONITORED	NUMBER OF APPLICABLE MONITORED SMALL CHECK DAMS	NUMBER OF APPLICABLE MONITORED BORE WELLS	NUMBER OF APPLICABLE MONITORED RAISIN MAKING HOUSES	TOTAL NUMBER OF APPLICABLE MONITORED PROJECT FEATURES
<b>Land Acquisition</b>	<b>N=79</b>	<b>N=99</b>	<b>N=206</b>	<b>N=384</b>
Land acquired for the sub-project	61%	36%	42%	45%
Land acquisition documentation available at the time of visit	1%	0%	0%	0%
Land acquisition caused people to be moved from their homes	0%	2%	0%	1%
<b>Grievance Redress Mechanism</b>	<b>N=79</b>	<b>N=99</b>	<b>N=206</b>	<b>N=384</b>
Grievance Handling Committee established	39%	35%	54%	46%
Grievance awareness training conducted	41%	32%	50%	43%
Grievance registration logbook available in the community	32%	22%	45%	36%

### Poultry Distribution Findings

In March 2020, we monitored 59 sub-project activities that provided poultry to women in Herat, Kabul and Paktiya. We assessed the project participation and its impact, beneficiary selection, what women received, and how they used it. In Herat, all the beneficiaries we interviewed participated in the 500 Broiler activity, while in Paktiya the women participated in the 100 Layer activity. The women we interviewed in Kabul were recipients of 30 chickens as part of the Backyard Poultry activity.

Most women received intended project inputs and used this to support their families. A much higher percentage of beneficiaries in Kabul and Herat reported receiving the intended package in full compared to participants in Paktiya, where nearly one-third of the respondents we interviewed had not received the chickens at the time of the monitoring visit. Some reported that they had been waiting for five months.

For those who received the chickens and other project inputs, most responses showed that the women raised the poultry to benefit their household. This included nearly all the women who had received chickens in Paktiya and the majority of women in both Herat and Kabul. In Kabul, however, one-quarter of respondents reported that they had consumed or sold poultry to benefit their household: the reasons for doing so were not given but may reflect a higher local purchasing price.

Most beneficiaries participated in some, but not all, of the mandatory training that implementing partners provided before distributing the chickens, although most beneficiaries did not attend all of the four classes. Respondents reported that the Poultry Vaccinations module was the most useful.

### Mini-Tractor Distribution Findings

In March 2020, we conducted verification monitoring for the Mini-Tractor activity, which included engineer site visits to two warehouses in Baghlan and Parwan. The purpose of our visits was to assess the condition of the warehouses and the tractors stored there. We also conducted telephone interviews with 46 recipients to confirm that they had received a tractor and were using it.

Our engineer who visited the warehouse in Baghlan explained that NHLP had rented the warehouses from the government since 2008. He found no issues with the boundary walls and the security of the gates, and found no leaks or other deficiencies in the warehouse roofs. He observed that windows and ventilators were

installed in the warehouses. The warehouses contained other horticultural equipment in addition to the mini-tractors.

The second engineer visited the warehouse in Parwan and noted that the walls and windows needed repair. He also reported the risk of flooding during the rainy season due to an adjacent agricultural water system. The security of the compound was another cause for concern. It was possible to enter it from adjacent compounds, despite the presence of guards, because of the low southern wall.

Although we were only able to sample one-third of mini-tractor beneficiaries, most respondents reported that they received and were using the mini-tractor. However, a small number of respondents did not appear to be involved in farming. According to project documentation, mini-tractor recipients were meant to contribute AFN 64,688. Of the 32 respondents receiving a tractor from NHLP/MAIL, all but two respondents stated that they had made this contribution.

All but one of the 32 NHLP/MAIL tractor recipients were satisfied with the tractor and 23 of the 32 respondents reported that the tractor was working well when delivered. Of the nine respondents whose tractors were not working, three said that parts were missing, three reported that the engine was not working, and four reported that other parts of the tractor, such as the brake, gear or battery, did not work. Of the nine people who said their tractor was not working when they received it, all but one of them stated that they had reported it. Six respondents explained how they had reported the problem: two reported it to MAIL staff, two to the District Governor, one to NHLP staff, and one to another local leader. When asked if they were still using the tractor, most respondents said yes.

## ACHIEVEMENTS AND CHALLENGES

- We did not find potential excess payments, red flags, questionable transactions or any other financial issues of concern have found.
- Our engineers found that only a very few sub-projects had negatively impacted the environment.
- Although we were only able to sample one-third of mini-tractor beneficiaries, the majority of respondents reported that they received and are using a mini-tractor; a small number of respondents do not appear to be involved in farming.
- Most of the project beneficiaries were satisfied with the poultry activity as it provided them a source of income through the sale of eggs and chickens. In addition, the poultry vaccinations module was found to be very useful.
- More oversight of the poultry distribution was needed, especially in Paktiya, where a third of the women interviewed said that they had not received any chickens and the implementing partner had not shared any information about the delay.
- Project management was one of the most significant challenges for the project. NHLP recorded a relatively high percentage of deviations compared to other projects and the largest share of deviations related to project management. These issues were also carried over to record-keeping at the central level, as identified in the 2019 Country Portfolio Performance Review process. NHLP's project documents were largely in hard copy form and the Management Information System (MIS) was not being updated. This posed a problem not only for maintaining accurate project information, but for being able to monitor the project's progress and results.

## OPPORTUNITIES FOR IMPROVEMENT

NHLP closed in 2020, however, results from our monitoring in past year can be useful to inform recommendations for future programming.

- Future programming with MAIL should include capacity development components for central and district staff on project management, as well as investment in a functional MIS with dedicated resources to maintain and update it.
- MAIL should standardise documentation required at sub-project sites and clearly communicate the relevant requirements to contractors, especially on land acquisition documentation.



# ANNEX 9: TRANS-HINDUKUSH ROAD CONNECTIVITY PROJECT (THRCP)

## INTRODUCTION

Implemented by the Ministry of Public Works (MoPW), the project's development objective is to improve road transport connectivity across the Hindukush mountain range. The project is strategically important for the movement of goods and freight between Kabul and the northern provinces. Its main aim is to upgrade and improve the Bamyan to Baghlan Road (B2B) as well as rehabilitating and maintaining the Salang Highway to provide year-round access and enhance local and international trade and regional integration.

THRCP is not ARTF-financed but project results are presented in this report because the monitoring activities by TPMA for THRCP are financed by the ARTF.

## FINANCIAL MONITORING

In 2020, we conducted one Internal Controls Assessment and completed three Statements of Expenditure.

### THRCP Monitoring Activities

- A financial review of sub-project expenditures.
- Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguard standards. We conducted engineering assessments of roads and mobilization sites.
- In-person interviews by social researchers to check available project documentation and adherence to environmental and social safeguards.

Table 1: Statement of Expenditure Claims in 2020

PERIOD OF CLAIM	ENTITY	PROCUREMENT	PAYROLL	PIM <sup>1</sup> COSTS	TOTAL	ADJUSTMENT PROPOSED	ADJUSTED TOTAL
Q1 1399	MoPW	10,361	109,054	-	119,414	(466,230)	-
Q2 1399	MoPW	1,168,037	83,975	223,049	1,475,061	(919,398)	555,664
Q3 1399	MoPW	2,682,286	287,211	32,166	3,001,662	-	3,001,662
<b>TOTAL</b>		<b>3,860,684</b>	<b>480,240</b>	<b>255,215</b>	<b>4,596,137</b>	<b>(1,385,628)</b>	<b>3,557,326</b>

<sup>1</sup> PIM stands for Project Implementation and Management

Rectifications	Total
 Value of Contracts Monitored (USD)	97,016,641
 Estimated Cost of Rectification (USD)	124,670
 Cost of Rectification as a Percentage of Monitored Contracts	0.13 Percent

Please note that for THRCP we do not check if there are sub-projects where financial progress exceeded physical progress by more than 15 percent because under this project advance payments are made to contractors. The percentage of financial progress will therefore always be much higher than physical progress.

## THRCP Monitoring in 2020



Number of Site Visits per Province in CY 2020

1-49

50-99

### THRCP Sub-Projects Visited per Province

62

Baghlan

51

Bamyan

### Summary of THRCP Monitoring Activities

#### Total Site Visits by Physical Monitoring Team

113

Baghlan: 62, Bamyan: 51

#### Total Road Segments Visited by Physical Monitoring Team

4

#### Total Road Sections Visited by Physical Monitoring Team

19

Segment 1: 6, Segment 2: 5, Segment 5: 2, Segment 6: 6

#### No. of Road Segments Monitored by Financial Monitoring Team

4

#### Respondents

CDC/Community Respondents Interviewed for THRCP			Total
CDC Office Bearers	2	85	87
Community Leaders	2	52	54
Community Members	0	2	2
Contract Supervisory Unit	1	14	15
Contractors Staff	0	8	8
Labourers	0	16	16
Sub-Committee Members	1	51	52
Village Head	0	15	15
<b>Total Respondents</b>	<b>6</b>	<b>243</b>	<b>249</b>

#### TPMA Staff Monitoring THRCP

##### Social Researchers:

2

0

2

##### Call Centre Agents:

11

9

2

##### Engineers:

2

0

2

#### TPMA Staff Monitoring THRCP

From 113 visits, 104 were routine monitoring visits to Segments 1, 2, 5, and 6. The other 9 were mobilization site visits to segments 2 and 5.

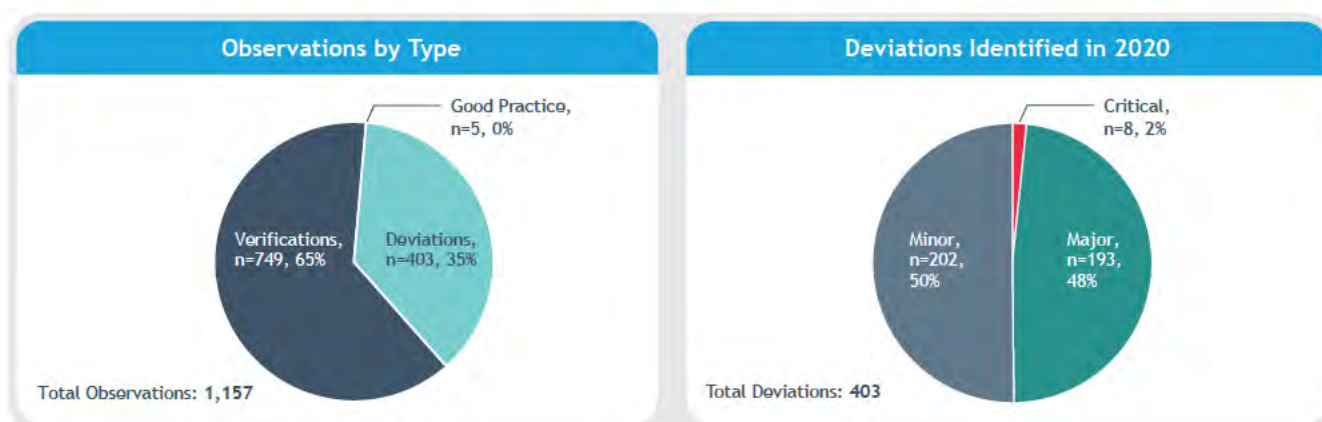


## PHYSICAL MONITORING

We monitored four road segments during 2020: Segments 1 and 2 in Baghlan and Segments 5 and 6 in Bamyan. We assessed all segments as being behind schedule. Delays were mainly attributed to late instalment payments to contractor-by-contractor supervisory units, insecurity, bad weather and COVID-19. The construction activity in Segment 6 has been stopped since September 2020 as the contractor’s contract was terminated by the World Bank and MoPW due to poor contract management. The work in Segment 6 is demobilized and there are plans to hire another contractor.

### Observations

‘Observations’ consist of all the data points captured by our engineers when assessing the sub-project on site. These include: **1)** various checks of standards that we call ‘Verifications’; **2)** ‘Good Practice’, which we define as additional work completed to improve the functionality of the project at no additional cost; and **3)** ‘Deviations’ (for example deviations from project design or social and environmental safeguards), which are classified into critical, major and minor categories as explained in Table 2 of Annex 1.



### Good Practice

Our engineers reported five examples of Good Practice over the year, which all related to quality of materials and material testing. All examples of the identified Good Practice were found in Segment 6 in Bamyan and related mostly to the subbase and subgrade materials.

### Infrastructure - Aspect Scores

We graded sub-projects by the quality and applicability of design, quality of materials used and workmanship. These ratings ranged from 1 (Low) to 5 (High). The methodology for calculating these ratings is explained in Annex 1. Design tended to receive higher marks while both Use of Materials and Workmanship were graded as Average (see next page).



TPMA Grading of Sub-Project Infrastructure Aspects

				
Total Segments	Design	Materials	Workmanship	Segments Total Average Score
4	3.7 (Good)	3.1 (Average)	3.0 (Average)	3.3 (Average)

TPMA Grading of Sub-Project Infrastructure Aspects - Segment 1 (Baghlan)

			
Design	Materials	Workmanship	Segment Average Score
3.9 (Good)	3.3 (Average)	3.2 (Average)	3.5 (Average)

TPMA Grading of Sub-Project Infrastructure Aspects - Segment 2 (Baghlan)

			
Design	Materials	Workmanship	Segment Average Score
3.7 (Good)	3.3 (Average)	3.3 (Average)	3.4 (Average)

TPMA Grading of Sub-Project Infrastructure Aspects - Segment 5 (Bamyan)

			
Design	Materials	Workmanship	Segment Average Score
3.3 (Average)	3.1 (Average)	2.9 (Average)	3.1 (Average)

TPMA Grading of Sub-Project Infrastructure Aspects - Segment 6 (Bamyan)





			
Design	Materials	Workmanship	Segment Average Score
4.0 (Good)	2.7 (Average)	2.5 (Below Average)	3.1 (Average)

## Deviations


Our engineers made a total of 1,152 observations during 113 site visits. They reported 403 deviations in total, classifying 8 as Critical, 193 as Major, and 202 as Minor.

Road Segments with Deviations	Total
Road Segments with No Deviations	0 / 0 Percent
Road Segments with Critical Deviations	2 / 50 Percent
Road Segments with Major Deviations	4 / 100 Percent
Road Segments with <u>Only</u> Minor Deviations	0 / 0 percent

Most deviations (89 percent, n=361) were found in Segments 1 and 6.






Deviations by Road Segments and Classification				
Road Segment	Critical Deviations / Percentage	Major Deviations / Percentage	Minor Deviations / Percentage	Total Deviations
 Segment 1	4 / 50 percent	83 / 43 percent	91 / 45 percent	178 / 44 percent
 Segment 2	0 / 0 percent	15 / 8 percent	11 / 5 percent	26 / 6 percent
 Segment 5	0 / 0 percent	12 / 6 percent	4 / 2 percent	16 / 4 percent
 Segment 6	4 / 50 percent	83 / 43 percent	96 / 48 percent	183 / 45 percent
<b>Total</b>	<b>8</b>	<b>193</b>	<b>202</b>	<b>403 / 100 percent</b>

Almost half of the deviations were attributed to poor workmanship. Deviations were most frequently found in Stone Masonry, Wing Walls, Retaining Walls, and Formwork.

Deviations by Aspect and Classification						
Aspect	 Design	 Materials	 Workmanship	 Project Management	 Social Safeguards	 Environmental Safeguards
Minor	1	46	133	18	1	3
Major	21	34	89	14	27	8
Critical	1	0	0	0	6	1
<b>Total</b>	<b>23</b>	<b>80</b>	<b>222</b>	<b>32</b>	<b>34</b>	<b>12</b>






Deviations disaggregated by both aspect and segment are highlighted below.

Deviations by Aspect and Classification - Segment 1 (Baghlan)						
Aspect	 Design	 Materials	 Workmanship	 Project Management	 Social Safeguards	 Environmental Safeguards
Minor	1	26	52	10	0	2
Major	19	19	33	0	11	1
Critical	1	0	0	0	3	0
Total	21	45	85	10	14	3

Deviations by Aspect and Classification - Segment 2 (Baghlan)						
Aspect	 Design	 Materials	 Workmanship	 Project Management	 Social Safeguards	 Environmental Safeguards
Minor	0	2	7	2	0	0
Major	0	2	1	7	4	1
Critical	0	0	0	0	0	0
Total	0	4	8	9	4	1

Deviations by Aspect and Classification - Segment 5 (Bamyan)						
Aspect	 Design	 Materials	 Workmanship	 Project Management	 Social Safeguards	 Environmental Safeguards
Minor	0	1	0	3	0	0
Major	0	0	0	5	4	3
Critical	0	0	0	0	0	0
Total	0	1	0	8	4	3

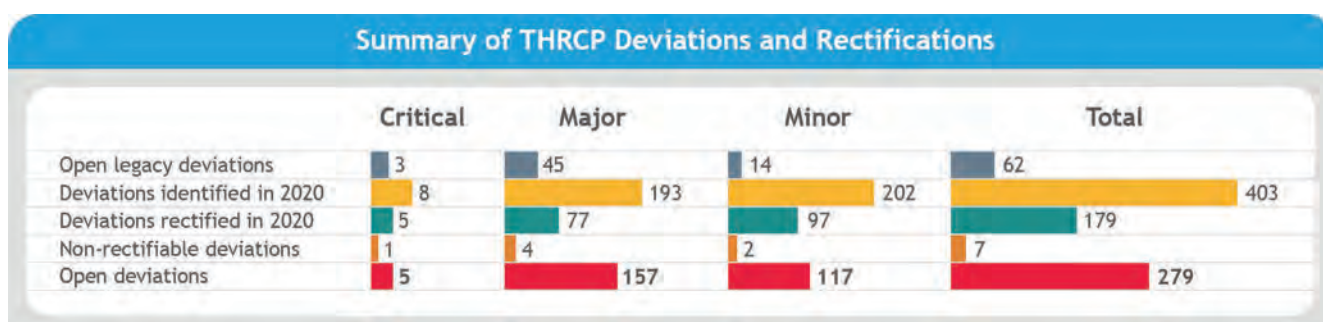
Deviations by Aspect and Classification - Segment 6 (Bamyan)						
Aspect	 Design	 Materials	 Workmanship	 Project Management	 Social Safeguards	 Environmental Safeguards
Minor	0	17	74	3	1	1
Major	2	13	55	2	8	3
Critical	0	0	0	0	3	1
Total	2	30	129	5	12	5



## Rectifications

Throughout the year, the MoPW project team rectified 179 deviations, while 7 deviations were considered non-rectifiable. On average, it took them 216 days to close Critical deviations, 183 days to close Major deviations and 126 days to close Minor deviations<sup>11</sup>.

The infographic<sup>12</sup> below presents information about the legacy deviations identified by the Supervisory Agent prior to January 2020, as well as the deviations TPMA engineers identified this year. It shows the number of deviations rectified this year, as well as those deemed non-rectifiable. The red horizontal bar provides the total number of deviations remaining to be rectified at the end of December 2020.



## Documentation

During site visits, our engineers and social researchers seek to identify a number of documents which are meant to be available at work sites or with local communities. The table below shows the availability of different types of documents at the time of our last site visits to each segment in Baghlan and Bamyan. Much of the required documentation was available for inspection. In Segment 1 in Baghlan, an Abbreviated Resettlement Action Plan has been prepared and implemented, with reports of those affected by road construction receiving compensation, although the document itself was not available for inspection during the site visit. No Abbreviated Resettlement Action Plan or Environmental and Social Management Plan was available in Segment 5 in Bamyan during our site visits because the work in Segment 5 had only recently started.

Table 2: Available Documentation

DOCUMENTS	DOCUMENTATION THAT IS AVAILABLE FOR:			
	SEGMENT 1	SEGMENT 2	SEGMENT 5	SEGMENT 6
Abbreviated Resettlement Action Plan	No	Yes	No	Yes
Bill of Quantity	Yes	Yes	Yes	Yes
Contract	Yes	Yes	Yes	Yes
Environmental and Social Management Plan	Yes	Yes	No	Yes
Technical Drawings	Yes	Yes	Yes	Yes
Technical Specifications	Yes	Yes	Yes	Yes

<sup>11</sup> These calculations are based on the date when open deviations were classified as rectified on the Digital Platform in 2020. It is possible that the actual time to rectify a deviation is shorter due to the time taken between addressing the rectification at the construction site and updating the information on the Digital Platform.

<sup>12</sup> In this infographic, the Critical bar charts are disproportionate to the others to make the much smaller numbers visible.

## Environmental Safeguards and Social Safeguards

The information presented in the table below is based on engineers' assessments of construction and social researchers' interviews with communities. Engineers and social researchers assessed various topics including environmental impact, adherence to health and safety standards, security issues, community engagement, land acquisition, and the existence of a Grievance Redress Mechanism (GRM).

Findings indicate that there were no major environmental impacts, although soil pollution was observed in all segments due to dust pollution. Personal protective equipment (PPE) was only provided in one segment and a first aid kit was not available in any of the segments. Security incident reporting systems were in place in three of the four segments. Segments 5 and 6 in Bamyan appear to have been significantly affected by security incidents. Communities had not been engaged and no GRM had been established for Segments 1 and 7. This information was not available for Segments 2 and 5.

Table 3: Findings related to Environmental and Social Safeguards

SUBJECT MONITORED (SOURCE)	SEGMENT 1	SEGMENT 2	SEGMENT 5	SEGMENT 6
<b>Environment (reported by engineers)</b>				
Transportation of construction materials causing degradation to natural area or accelerating erosion	No	No	No	No
Soil pollution at work site*	Yes	Yes	Yes	Yes
Dust control programme in place during work	No	No	No	No
Significant increase in noise level as a result of construction	Yes	Yes	Yes	No
Water catchment plan for road erosion prevention	Yes	Yes	Yes	Yes
Oil/fuel waste on site	No	No	No	No
Sand/gravel removal from riverbed**	Yes	Yes	Yes	Yes
Written permission from THRC for contractor to extract sand or gravel from riverbed	No	Yes	No	No
* Engineers identified soil pollution in all segments because of dust pollution, which they attributed to the absence of a dust control plan and water tankers on site.				
** Engineers reported that the sand/gravel had been taken in such a way that the river's morphology was not affected.				
<b>Health and Safety (reported by engineers)</b>				
Workers provided with PPE	No	Yes	No	No
First aid kit available	No	No	No	No
Health or hygiene issues observed	No	No	No	No
Workers injured (reported by communities)	No	No	No	No
Safe access provided for vehicles and pedestrians (reported by communities)	No	N/A	N/A	No
<b>Security (reported by engineers)</b>				
Security incident reporting mechanism in place	Yes	No	Yes	Yes
Security incidents at the site in the last six months	No	No	Yes	Yes
Security incidents affecting local community members or sub-project workers	No	No	No	No
Sub-project stopped due to security issue	No	No	Yes	Yes
<b>Community Engagement (reported by social researchers)</b>				
Safeguarding training conducted for Community Development Councils	No	N/A	N/A	No
Communities participated in planning and implementation	No	N/A	N/A	No

Table 3: Findings related to Environmental and Social Safeguards (continued)

SUBJECT MONITORED (SOURCE)	SEGMENT 1	SEGMENT 2	SEGMENT 5	SEGMENT 6
Women consulted during planning	No	N/A	N/A	No
Concerns raised by women during consultation	No	N/A	N/A	No
Women consulted during implementation	No	N/A	N/A	No
<b>Land Acquisition (reported by social researchers)</b>				
Sub-projects requiring land beyond the existing alignment	No	N/A	N/A	No
Sub-projects delayed by the need to acquire extra land	No	N/A	N/A	No
<b>Grievance Redress Mechanism (reported by social researchers)</b>				
GRM established	No	N/A	N/A	No
Grievance registration logbook/journal available	No	N/A	N/A	No
Conflicts or pending complaints between the implementing partner and the community	No	N/A	N/A	No
Conflicts between the implementing partner and the project team	No	N/A	N/A	No

## ACHIEVEMENTS AND CHALLENGES

- We observed only a few Critical (Life-Threatening) infrastructure deviations during our visits in 2020. However, several Major deviations identified that pose future risks if not rectified. Almost half of the deviations were attributed to poor workmanship.
- Most of the necessary documentation was available for inspection during site visits and were assessed that are well-stored.
- Some forms of materials testing were conducted in all ongoing segments monitored during 2020. Our engineers assessed that materials testing were conducted as per the contract requirements and most of the conducted tests were passed.
- Our engineers did not observe any major hygiene or health issues in the labour site camps monitored in 2020 but no first aid kits were found to be available and limited safety measures were being applied.
- Monitoring highlighted that none of the segments were reported as being on schedule. This was attributed to a variety of factors including lack of management by the contractor, insecurity, late payments to the contractor by the Ministry and to workers by the contractor. For instance, in Segment 6 the work has been stopped since late September 2020 because the contractor failed to maintain regular communication with the Construction Supervision Unit about project activities. In addition to this, the contractor did not have the financial capability to continue the work and failed to pay their staff and suppliers on time.
- No GRMs had been established in Segments 1 and 6 (no data was available for segments 2 and 5).
- Finally, with exception of Segment 2, insecurity has frequently been cited as a problem. Insecurity has also been a key challenge in collecting monitoring data. For instance, in July 2020 we could not visit any sections of Segments 5 and 6 in Bamyan due to security threats as the Taliban had attacked various stations in both segments.



## OPPORTUNITIES FOR IMPROVEMENT

- The contractor should ensure that first aid kits, PPE and safety training for workers are available at each construction site. If these are not built into the sub-project budget, construction should not begin until laborers are trained in basic first aid, a kit is available and PPE has been provided.
- Furthermore, THRCP sub-projects require closer supervision by project engineers to ensure that design and specifications are properly followed and materials of the right quality are used in the right manner.
- Community engagement should be improved and grievance mechanisms need to be established for all segments. If it is not feasible to have one mechanism for the entire segment, a mechanism for each road section should be considered. Communities seem to prefer bringing project-related grievances to local community elders and mullahs. Therefore, consideration should be given to bringing elders and mullahs into the THRCP GRM to facilitate reporting, tracking, and resolution of grievances.

# ANNEX 10: WOMEN’S ECONOMIC EMPOWERMENT - RURAL DEVELOPMENT PROJECT (WEE-RDP)

## INTRODUCTION

WEE-RDP is the flagship programme under the Women’s Economic Empowerment National Priority Programme (WEE-NPP). The Program is implemented by the Ministry of Rural Rehabilitation and Development (MRRD). WEE-RDP aims to build sustainable community institutions through social and economic mobilization of rural women. The core institutions under the project are women’s Self-Help Groups (SHGs) with the potential to be formalised as larger Village Savings and Loan Associations. From these would emerge community level Enterprise Groups, which in turn would be aggregated into Producer Associations.

### WEE-RDP Monitoring Activities

- In-person interviews by social researchers to verify existence, activities, and membership benefits of Self Help Groups.

## FINANCIAL MONITORING

We initiated an Internal Controls Assessment during 2020, to be completed in 2021. Drafting of the report is still ongoing. We also completed two Statements of Expenditure, both for MRRD.

Table 1: Statement of Expenditure Claims in 2020

PERIOD OF CLAIM	ENTITY	PROCUREMENT	PAYROLL	PIM <sup>1</sup> COSTS	TOTAL	ADJUSTMENT PROPOSED	ADJUSTED TOTAL
Q1 1399	MoWA	-	245,779	-	245,779	(8,882)	236,897
Q2 1399	MoWA	79,189	1,188,411	190,465	1,458,065	(163,845)	1,294,219
TOTAL		79,189	1,434,190	190,465	1,703,844	(172,727)	1,531,116

<sup>1</sup> PIM stands for Project Implementation and Management

## PHYSICAL MONITORING

We conducted one round of data collection by the Physical and Financial Monitoring teams in March 2020, which is detailed in the figure on the previous page. The purpose of the monitoring was to assess different aspects of the project in areas where it had been launched between mid-2019 and February 2020. Since the project was relatively new in these areas, monitoring focused on SHGs, aiming to understand the process behind their establishment, including the training and workload of Ministry of Rural Rehabilitation and Development (MRRD) Social Organisers (SOs). In addition, we looked at women’s motivation for participating in the project and the benefits they received, and explored SHG activities, including outreach and awareness-raising events to expand membership. We also monitored how actively SHG members are contributing financially to and borrowing funds from their respective groups. Our principal findings were as follows:

- MRRD SOs were trained, but most have to challenge social norms in establishing women’s SHGs. Community Development Councils (CDCs) were a key resource to help establish women’s SHGs, particularly when these CDCs had female members.
- Women most frequently cited financial benefits as their reason for participating.
- SHGs received training on financial savings, administration and capacity development.
- The average weekly contribution to weekly savings is AFN 22 (although it is less than half of this amount in Paktiya).
- For most SHG members, the timing and location of SHG meetings were inconvenient.

## WEE-RDP Monitoring in 2020

Number of Site Visits per Province in CY 2020



### Summary of WEE-RDP Monitoring Activities

Total Site Visits by Physical Monitoring Team

42

No. of Self Help Groups Visited by the Physical Monitoring Team

108

Respondents

Community Respondents Interviewed for EQRA			Total
SHG Members	304	19	340
Community Members (Non-SHG)	155	6	167
CDC Female Office Bearers	41	2	45
Social Organizers	3	5	8
Project Staff	5	9	14
<b>Total Respondents</b>	<b>508</b>	<b>41</b>	<b>574</b>

TPMA Staff Monitoring WEE-RDP

Social Researchers: 23 22 1

WEE-RDP Sub-Projects Visited per Province

23 Kabul 8 Panjshir

11 Paktia



## SELF-HELP GROUPS

### Organising Self-Help Groups

In establishing the SHGs, SOs made use of CDCs established under the National Solidarity Programme, many of which were being supported through the Citizens' Charter Afghanistan Project (CCAP). One of the CCAP's participatory learning activities, the Well-Being Analysis, was used by WEE-RDP to identify potential SHG members, mainly for poverty scoring and to identify economically vulnerable community members as a means of prioritising project support. Female SOs reported finding their male counterparts helpful in identifying poor households and engaging with other beneficiaries. Importantly, male SOs were able to open access to villages, going first to speak to elders and religious leaders to explain the project and obtain community buy-in. Once this initial introduction had been made, female SOs were able to return with the men to launch the project. At the same time, men's influence, local traditions, lack of literacy among women and lack of trust in the work of development organisations were reported as challenges in organising SHGs

### Self-Help Group Membership

The motivations cited for joining an SHG were financial benefits (32 percent, n=110), WEE-RDP outreach activities (23 percent, n=78), family influence (12 percent, n=40), and becoming economically self-sufficient (11 percent, n=38). Other reasons (22 percent, n=74) included personal invitations from other SHG members, the wish to help other women in the area, and SHG membership as an activity when unemployed.

SHG members have proven to be a key project resource, using personal networks to promote awareness of WEE-RDP activities among women in their communities. However, there seems to be a need for further outreach: of 167 women surveyed who were not SHG members, one-quarter (26 percent, n=44) had heard about the project but three-fifths (61 percent, n=102) had not.

Almost half of the 340 responding SHG members (48 percent, n=163) had received training from MRRD's SO, but there were significant provincial variations in training in Kabul (34 percent), Paktiya (77 percent) and Panjshir (63 percent). Training received by SHG members was intended to cover different topics of

relevance to SHG membership and their functionality. SHG members reported that they had received training on accounts and financial savings (60 percent, n=91) and on administration skills (20 percent, n=31). A smaller percentage (14 percent, n=22) of respondents did not specify the training received. Some members participated in more than one training module.

SHG members contributed an average of AFN 22 for weekly savings, but the contribution from members in Paktiya was significantly lower (AFN 10), which may be related to the fact that poverty is more severe compared to the other two provinces where data was collected. SHG members confirmed the availability of borrowers' records, including repayment details which varied for different borrowers in terms of repayment amounts and frequencies.

### Benefits of Self-Help Group Participation

Most respondents indicated that they had benefited (86 percent, n=111), while the remainder (14 percent, n=16) reported that they received no benefit. Of those who had received benefits, the majority (64 percent, n=82) cited a general positive effect without specifying further what this meant, while one-fifth (21 percent, n=27) of responses showed that participants viewed SHG membership as a financial support mechanism for their families. SHG members use the loans for different reasons, including paying house rents and procuring small business inputs for tailoring, handcrafts and poultry production.

## ACHIEVEMENTS AND CHALLENGES

- Women most frequently cited financial benefits as their reason for participating. SHGs received training on financial savings, administration and capacity development, which aided beneficiaries in resolving financial problems in their homes or communities.
- However, in various communities, men were unwilling to allow female family members to leave the house and participate in activities. In some cases, this unwillingness gradually faded as the men realised the benefits of saving and the opportunity to receive a loan for the family.
- Almost nine out of ten respondents did not consider the timing of SHG meetings convenient. Even more stated that the meeting locations were inconvenient. The reason for these findings is likely related to the fact that most of the women did not have a common public place where they could gather, unlike men, who could meet in mosques. Instead, they mostly hold SHG meetings in someone's home. This requires resources from the host, so repeated meetings may become an inconvenience, or could be viewed as a potential inconvenience.
- Interaction with women in rural communities is sensitive and cultural norms should be taken into account. Recording female respondents' views during data collection continued to be challenging.

## OPPORTUNITIES FOR IMPROVEMENT

- Last year the previous Supervisory Agent made a case to recruit more female SOs. We recognise that this certainly remains important for the implementation of WEE-RDP, but female SOs reported finding their male counterparts very helpful in identifying poor households and engaging with other beneficiaries. Importantly, male SOs were able to open access to villages, going first to speak to elders and religious leaders to explain the project and obtain community buy-in. Once this initial introduction had been made, female SOs were able to launch the project. While this approach is not described in the WEE- RDP Operations Manual, it should be considered good practice to maintain a mix of both male and female SOs.
- Similarly to last year, locked saving boxes are recommended to be provided for all SHGs because in a few cases savings were not stored in a locked box.
- Finally, in future programmes, WEE-RDP should look into making dedicated spaces available where SHGs can meet at their convenience, so they do not need to depend on people hosting meetings in their homes.

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